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FINE ARTS MUSEUMS of SAN FRANCISCO

Board of Trustees
California Palace of the Legion of Honor
M.H. de Young Memorial Museum

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OFFICIAL MEETING NOTICE

SPECIAL MEETING[1]

Corporation of the Fine Arts Museums
Executive Committee of the Board of Trustees

Monday, February 2, 1998
12:30 P.M.[2]
Administrative Offices
233 Post Street, 6th Floor Conference Room
San Francisco, California

AGENDA

I. Call to Order - Mrs. Alfred S. Wilsey, Chairman

II. Calling of the Roll

Trustees:

Robert J. Bransten, Vice President/Collections
Charles Crocker
Mrs. Ray Dolby, Vice President/Annual Support
Richard P. Essey
Richard H. Finn
Ms. Frankie Jacobs Gillette, Vice President/Civic Affairs
Mrs. Richard Goodyear
Richard W. Goss II, President
David M. Jamison, Vice President/Audience Development
J. Alec Merriam
Steven MacGregor Read
William E. Steen, Vice President/Facilities
William A. Stimson, Vice President/Finance
Mrs. Alfred S. Wilsey, Chairman
Frank Montgomery Woods

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[1] This special meeting is being called to consider and possibly adopt two resolutions to form a Committee to Rebuild the de Young in Golden Gate Park and to authorize a COFAM pledge donation to the Committee to Rebuild the de Young in Golden Gate Park. The special meeting replaces the regular meeting of the Executive Committee previously scheduled for February 12, 1998, at 12:30 p.m. or later, 233 Post Street, San Francisco.

[2] Or such earlier time as the special meeting of the Executive Committee of the Board of Trustees of the Fine Arts Museums of San Francisco ends, but in no event before 12:30 p.m.

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III. Report of the Chairman - Mrs. Alfred S. Wilsey

A. Consideration and Possible Adoption of a Resolution to Form a Committee to Rebuild the de Young in Golden Gate Park

WHEREAS, It is the intent of the Board of Trustees of the Fine Arts Museums of San Francisco to have a bond issue on the June 1998 San Francisco ballot to rebuild the de Young Museum in Golden Gate Park; and

WHEREAS, In order to properly manage the presentation of the bond issue to the San Francisco electorate, there should be a campaign committee responsible for all matters regarding the submission and support of the ballot issue; now, therefore, be it

RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museums does hereby authorize the Board President to make the necessary appointments to a Committee to Rebuild the de Young in Golden Gate Park to support the June 1998 ballot issue.

B. Consideration and Possible Adoption of a Resolution to Authorize a COFAM Donation to the Committee to Rebuild the de Young in Golden Gate Park

WHEREAS, The Committee to Rebuild the de Young in Golden Gate Park is in need of funds to successfully mount a campaign for the June 1998 San Francisco bond measure to rebuild the de Young Museum in Golden Gate Park; now, therefore, be it

RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museums does hereby authorize a donation to the Committee to Rebuild the de Young in Golden Gate Park.

C. Other Informational Items

IV. Report of the President - Richard W. Goss II

V. Report of the Chief Executive Officer - Harry S. Parker III

VI. Adjournment - Mrs. Alfred S. Wilsey, President

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Public Meeting Requirements Relating to Accessibility

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1. American sign language interpreters
2. A sound enhancement system
3. An agenda of meeting available in alternative formats
4. A reader during the meeting

To arrange for the above services, please contact Judy Gough at (415) 750-3669 at least two working days prior to the meeting.

Minutes of the meeting will be made in alternate formats upon request.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, those attending public meetings are reminded that other may be sensitive to various chemical based products. Please help the City to accommodate these individuals.

For access to 233 Post Street by BART, get off at the Montgomery Street Station. MUNI's wheelchair-accessible No. 38 line may also be taken to Geary and Stockton Streets, as well as wheelchair-accessible No. 2 line (east bound), which stops close to 233 Post Street. For more information about MUNI's accessible services, call (415) 923-6142. Accessible parking space (disabled-designated) is available at the Stockton-Sutter Parking Garage.

Accessible seating for persons with disabilities (including those using wheelchairs) will be provided. For Telecommunication Device for the Deaf (TDD), the Museums uses the California Relay Service.

Know Your Rights Under the Sunshine Ordinance

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils, and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code) or to report a violation of the ordinance, contact the Sunshine Ordinance Task Force at 554-6075.

If you are unable to attend the meeting, you may submit written comments to Judy Gough, Fine Arts Museums of San Francisco, 233 Post Street, 6th Floor, San Francisco, CA, 94108.

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CORPORATION OF THE FINE ARTS MUSEUMS

Special Meeting
Executive Committee
Board of Trustees

February 2, 1998

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Call to Order

A special meeting of the Executive Committee of the Board of Trustees of the Corporation of The Fine Arts Museums was held on Monday, February 2, 1998, in the 6th Floor Conference Room of the Museums' Administrative Offices at 233 Post Street, San Francisco. A quorum being present, the special meeting was called to order at 1:31 p.m. by Mrs. Alfred S. Wilsey, Chairman.

Chairman Wilsey noted for the record that the change in date of the preceding, special meeting of the Executive Committee of the Board of Trustees of the Fine Arts Museums of San Francisco necessitated the subsequent change in date of this meeting. This special meeting replaced the regular meeting of the Executive Committee of the Corporation of The Fine Arts Museums previously scheduled for Thursday, February 12, 1998.

President Goss presided; Mrs. Gough acted as Secretary.

Roll Call

Present:

Robert J. Bransten, Vice President/Collections
Charles Crocker
Richard P. Finn
Ms. Frankie Jacobs Gillette, Vice President/Civic Affairs
Mrs. Richard Goodyear
Richard W. Goss II, President
David M. Jamison, Vice President/Audience Development
William E. Steen, Vice President/Facilities
William A. Stimson, Vice President/Finance
Mrs. Alfred S. Wilsey, Chairman

Excused:

Mrs. Ray Dolby, Vice President/Annual Support
Richard P. Essey
J. Alec Merriam
Steven MacGregor Read
Frank Montgomery Woods

Other Trustees in Attendance (continued):

Mrs. Philip F. Bowles III
Mrs. Jerrold L. Kingsley
Mrs. Leonard E. Kingsley
Leonard E. Kingsley
Mrs. Lewis K. Land
Mrs. Peter McBean
Jay D. McEvoy
Mrs. Charles F. Willis
Florence Sue Wong

The following non-voting officers were present:

Harry S. Parker III, Chief Executive Officer
Steve Dykes, Treasurer
Judy Gough, Secretary

Report of the Chairman - Mrs. Alfred S. Wilsey

A. Consideration and Possible Adoption of a Resolution to Form a Committee to Rebuild the de Young Museum in Golden Gate Park

In preparation for the forthcoming June 1998 election, which will include the $89.9 million bond measure to rebuild the de Young Museum in Golden Gate Park, it is important to form a campaign committee to support this ballot issue. Chairman Wilsey introduced the following resolution:

WHEREAS, It is the intent of the Board of Trustees of the Fine Arts Museums of San Francisco to have a bond issue on the June 1998 San Francisco ballot to rebuild the de Young Museum in Golden Gate Park; and

WHEREAS, In order to properly manage the presentation of the bond issue to the San Francisco electorate, there should be a campaign committee responsible for all matters regarding the submission and support of the ballot issue; now, therefore, be it

RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museums does hereby authorize the Board President to make the necessary appointments to a Committee to Rebuild the de Young Museum in Golden Gate Park to support the June 1998 ballot issue.

A. Consideration and Possible Adoption of a Resolution to Form a Committee to Rebuild the de Young Museum in Golden Gate Park (continued)

On motion, duly seconded, the Executive Committee voted unanimously to adopt the foregoing resolution as **Board Resolution 205.**

B. Consideration and Possible Adoption of a Resolution to Authorize a COFAM Donation to the Committee to Rebuild the de Young Museum in Golden Gate Park

Chairman Wilsey introduced a second resolution as follows:

WHEREAS, The Committee to Rebuild the de Young Museum in Golden Gate Park is in need of funds to successfully mount a campaign for the June 1998 San Francisco bond measure to rebuild the de Young Museum in Golden Gate Park; now, therefore, be it

RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museums does hereby authorize a donation to the Committee to Rebuild the de Young in Golden Gate Park.

On motion, duly seconded, the Executive Committee voted unanimously to adopt the foregoing resolution as **Board Resolution 206.**

Report of the President - Richard W. Goss II

There was no business to report by the President.

Chief Executive Officer's Report - Harry S. Parker III

There was no business to report by the Chief Executive Officer.

Adjournment - Mrs. Alfred S. Wilsey, Chairman

There being no further business, the meeting was adjourned at 1:35 p.m.

Respectfully submitted,

Judy Gough
Executive Secretary
Museums

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FINE ARTS MUSEUMS of SAN FRANCISCO

Board of Trustees
California Palace of the Legion of Honor
M.H. de Young Memorial Museum

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5/14/98

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OFFICIAL MEETING NOTICE

Corporation of the Fine Arts Museums
Executive Committee of the Board of Trustees

Thursday, May 14, 1998
12:30 P.M.[1]
Administrative Offices
233 Post Street, 6th Floor Conference Room
San Francisco, California

AGENDA

I. Call to Order - Richard W. Goss II, Chairman

II. Calling of the Roll

Trustees:

Alvin H. Baum, Jr.
Charles Crocker
Mrs. Ray Dolby, Vice President/Annual Support
Richard P. Essey
Richard H. Finn, Vice President/Finance
Ms. Frankie Jacobs Gillette, Vice President/Civic Affairs
Richard W. Goss II, President
J. Burgess Jamieson
David M. Jamison, Vice President/Audience Development
J. Alec Merriam, Vice President/Collections
Nion T. McEvoy
Michael E. O'Neill
Steven MacGregor Read, Vice President/Facillities
Mrs. Alfred S. Wilsey, President
Frank Montgomery Woods

[1]Or such earlier time as the meeting of the Executive Committee of the Board of Trustees of the Fine Arts Museums of San Francisco ends, but in no event before 12:30 p.m.

III. Report of the Chairman - Richard W. Goss II

IV. Report of the President - Mrs. Alfred S. Wilsey

A. Consideration and Possible Action to Approve the Minutes of the April 9, 1998 Annual Meeting of the Board of Trustees (See Appendix A)

B. Report of the Campaign Committee to Rebuild the de Young Museum in Golden Gate Park

C. Other Informational Items

V. Report of the Chief Executive Officer - Harry S. Parker III

A. Report on COFAM Operating Budget as of March 31, 1998 (See Appendix B)

B. Consideration and Possible Action to Adopt a Resolution Designating Proceeds from the Estate of Barbara B. Anargyros as COFAM Operating Budget Support

WHEREAS, On May 14, 1997, Irene V. Barrese, attorney representing the Estate of Barbara B. Anargyros, informed the Museums that decedent Barbara B. Anargyros named the M. H. de Young Memorial Museum and the California Palace of the Legion of Honor as beneficiaries to receive two-sevenths of her estate; and

WHEREAS, Two bequests each in the amount of $33,500 for a total of $67,000, representing the Museums' unrestricted portion of the final distribution of the proceeds from the Estate of Barbara B. Anargyros, was received in April 1998; and

WHEREAS, The Director of Museums recommended that the $67,000 in proceeds from the Estate of Barbara B. Anargyros be designated as Fiscal Year 1997-98 COFAM Operating Budget support, now, therefore, be it

RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museums of San Francisco, upon the recommendation of the Director of Museums, does hereby designate the $67,000 in proceeds from the Estate of Barbara B. Anargyros as Fiscal Year 1997-98 COFAM Operating Budget support.

C. Consideration and Possible Action to Adopt a Resolution Designating Proceeds from the John William Coy Charitable Remainder Unitrust for Unrestricted Art Acquisition

WHEREAS, On March 10, 1998, Sohee Lim, Trust Officer, Charitable Management Services, Bank of America, informed the Fine Arts Museums of San Francisco that decedent John William Coy had named the M. H. de Young Memorial Museum and the California Palace of the Legion of Honor as beneficiaries to receive an unrestricted two-sixths of his Charitable Remainder Unitrust; and

WHEREAS, On April 24, 1998, the first and final distribution from the John William Coy Charitable Remainder Unitrust in the amount of $185,753.36 was received by the Fine Arts Museums of San Francisco; and

WHEREAS, The Director of Museums recommended the disposition of the proceeds for unrestricted art acquisition; now, therefore, be it

RESOLVED, That the Board of Directors does hereby restrict the proceeds from the John William Coy Charitable Remainder Unitrust for unrestricted art acquisition.

D. Consideration and Possible Action to Adopt a Resolution to Open a Stock Brokerage Account at Emmett A. Larkin Company, Inc.

RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museums does hereby authorize the Treasurer and Controller of the Corporation to open an account in the name of the Corporation at the stock brokerage firm of Emmett A. Larkin Company, Inc., for the sole purpose of receiving and selling gifted shares of stock to this Corporation; and be it

FURTHER RESOLVED, That this account remains in full force until rescinded or modified by this Board.

E. Consideration and Possible Action to Adopt a Resolution Covering the Transfer of Securities at Emmett A. Larkin Company, Inc.

RESOLVED, That any one of the following officers and employees of the Corporation of The Fine Arts Museums, to wit:

Harry S. Parker III, Chief Executive Officer
Stephen E. Dykes, Treasurer
Barbara Boucke, Deputy Director for Development
Robert M. Cullison, Controller

and he/she is authorized to sell, assign, transfer or dispose of any stocks, bonds, or other securities now or hereafter owned or held by the Corporation at Emmett A. Larkin Company, Inc.; and be it

FURTHER RESOLVED, That any Transfer Agent, Registrar or issuer of securities to whom a copy of this resolution shall be delivered may rely upon this resolution until such time as written notice of any change, amendment or cancellation thereof shall have been received by such Transfer Agent, Registrar or issuer of securities.

F. Report of Lease Amendment for Administrative Office Space at 233 Post Street

G. Other Informational Items

VI. Report of the Budget Committee - Richard H. Finn, Chair and Vice President

A. Consideration and Possible Action to Adopt a Resolution for a Balanced 1998-99 Operating Budget

WHEREAS, The Board of Trustees of the Corporation of the Fine Arts Museums (COFAM) is strongly committed to the policy of achieving a balanced operating budget in every fiscal year; and

WHEREAS, Balanced budgets are key to the financial stability of the museum and to the sound management of its resources; and

WHEREAS, A balanced operating budget has been achieved in all of COFAM's previous fiscal years; now, therefore, be it

A. Consideration and Possible Action to Adopt a Resolution for a Balanced 1998-99 Operating Budget (continued)

RESOLVED, That the Board of Trustees of the Corporation of the Fine Arts Museums continues to endorse the fundamental financial policy of balanced operating budgets and now expands that policy to include plant fund depreciation; and be it

FURTHER RESOLVED, That COFAM's Chief Executive Officer is instructed to take the necessary actions to carry out the balanced operating budget policy in FY 1998-99 and in succeeding years.

VII. Report of the Annual Support Committee - Mrs. Ray Dolby, Chair and Vice President

VIII. Report of the Fine Arts Museums Foundation - Charles Crocker, President

IX. Adjournment - Richard W. Goss II, President

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COFAM Operating Budget Report
March 31, 1998

Overview

On March 31st, the operating budget was $795,921 in the black, primarily due to taking $566,538 into support from a $300,000 major unrestricted gift plus two unrestricted bequests to help achieve a balanced budget by year end. The exceptional use of non-reoccurring funds underscores the loss of de Young revenue from low attendance, resulting from the shift of all major shows to the Legion after the loss of federal indemnification last summer. Unfortunately, the Legion cannot compensate for the de Young's decline, owing to the Legion having only half the visitor capacity of the de Young, limited parking, poor public transit, and an out-of-the-way location. Next fiscal year, three major exhibitions will mask the museum's new structural shortfall, which will likely re-emerge in FY 1999-2000 and will have to be grappled with until the de Young closes in 2002 to be re-built.

Annual contributions were up substantially. However, current revenues continued to be weak, especially in those areas tied to attendance such as general admission fees and store sales. Membership dues remained somewhat off. Personnel expenses were very close to budget, and other expenses were higher than original expectations largely because of new de Young planning costs, which were covered by restricted funds. Note that other expenses included a $200,000 unbudgeted contribution from COFAM to the Committee to Rebuild the de Young Museum in Golden Gate Park.

The COFAM Reserve was $2,359,630. Board policy is to maintain a $2 million reserve.

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Rolling Forecast

A substantially updated rolling forecast is included in the March budget report. This plan narrowly achieves a balanced budget by year end on June 30th, assuming a high level of annual contributions, reliance upon windfall bequests and a major gift, maximizing all revenue sources, capping expenses, locking in savings wherever possible, and holding COFAM contributions to the new de Young bond measure campaign to $600,000.

Comments On The March Numbers

Support and Revenue: Annual Contributions were $446,076 ahead of original budget but on line with the rolling forecast target. (See Appendix "A" page 5 for details.) Specified funds use was high because of new de Young planning expenses, drawing down offsetting restricted donations. Revenue lines affected by declining attendance, as well as the one-time use of unrestricted bequests and a major gift used as operating income are discussed above.

Expenses: Personnel expenses ran just ahead of the original budget but were somewhat behind the rolling forecast. Other expenses were in line with the rolling forecast but were $507,291 more than original budget. This was attributable to both de Young planning costs and upward revisions in administrative general overhead costs.

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COFAM Operating Budget Report for the Month Ended March 31, 1998

	Page
Cumulative Surplus (Loss) Chart	i
Budget-In-Brief	1
Annual Contributions – Appendix "A"	5
Stores Report – Appendix "B"	6
Exhibition Program – Appendix "C"	7
Balance Sheets	9

COFAM CUMULATIVE SURPLUS (LOSS) CHART
Fiscal Year Ending June 30, 1998
1,200,000
1,000,000
800,000
600,000
400,000
200,000
0
(200,000)
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Prior Year Actual

COFAM FY 1997-98 Operating Budget At March 31, 1998 (9 Months --75% Of The Budget Year)

	(1)		(2)			(3)			(4)
	March		9-Months			Rolling	% Actual		Actual Prior
	Original Budget	Actual	Original Budget	Actual	Variance to Y-T-D Budget	Forecast 4/18/98	To Rolling Forecast	Original Budget	Year At 9 Months
SUPPORT & REVENUE									
Support									
1) Annual Contributions	139,500	424,577	1,726,000	2,172,076	446,076	2,800,000	77.6%	2,500,000	1,811,618
2) Bequests and Major Unrestricted Gifts	0	300,000	0	566,538	566,538	633,538	89.4%	0	128,920
3) Foundation Endowment Support	92,128	92,128	829,152	829,152	0	1,105,534	75.0%	1,105,534	734,881
4) Specified Funds									
--Curatorial/Conservation	25,264	24,581	228,373	288,009	59,636	459,377	62.7%	319,100	293,082
--Achenbach Collection Mgmt. Project	0	0	0	0	0	0	0.0%	0	10,103
--Publications	5,000	0	48,000	38,514	(9,486)	92,864	41.5%	68,000	57,250
--Exhibition Funds Secured	0	14,933	149,715	168,895	19,180	307,738	54.9%	232,371	500,407
--Exhibition Funds To Be Raised	10,000	0	70,000	0	(70,000)	0	0.0%	100,000	0
--Education Programs	48,770	22,667	183,210	179,957	(3,253)	351,849	51.1%	271,000	144,587
--New DeYoung Planning	0	103,425	0	505,372	505,372	566,102	89.3%	40,000	0
--General	2,500	17,059	57,500	69,508	12,008	65,500	106.1%	25,000	75,398
5) COFAM Investment Income	10,000	7,428	107,000	89,612	(17,388)	140,000	64.0%	140,000	106,358
Subtotal Support	333,162	1,006,798	3,398,950	4,907,633	1,508,683	6,522,502	75.2%	4,801,005	3,862,604

COFAM FY 1997-98 Operating Budget At March 31, 1998 (9 Months --75% Of The Budget Year)

	(1) March		(2) 9-Months			(3)			(4)
	Original Budget	Actual	Original Budget	Actual	Variance to Y-T-D Budget	Rolling Forecast 4/18/98	% Actual To Rolling Forecast	Original Budget	Actual Prior Year At 9 Months
Revenue									
6) Museum Store Sales	290,766	207,274	1,971,976	1,716,151	(255,825)	2,032,237	84.4%	2,492,955	2,245,254
Less Discounts	(17,678)	(10,276)	(115,644)	(80,311)	35,333	(99,932)	80.4%	(149,660)	(105,906)
Less Cost of Goods	(150,584)	(111,143)	(1,023,817)	(949,477)	74,340	(1,075,601)	88.3%	(1,299,447)	(1,125,746)
Less Commissions	(1,287)	0	(10,299)	(746)	9,553	(15,449)	4.8%	(15,449)	(4,836)
Gross Profit	121,217	85,855	822,216	685,617	(136,599)	841,255	81.5%	1,028,399	1,008,766
7) Facilities Rental Gross	50,000	26,569	550,000	448,440	(101,560)	600,000	74.7%	700,000	434,273
8) Benefits Gross Income	100,000	1,249	245,000	236,274	(8,726)	236,274	100.0%	245,000	38,223
9) General Admissions COFAM Net	212,654	146,273	1,424,578	1,164,463	(260,115)	1,441,425	80.8%	1,881,750	1,367,555
10) Food & Beverage Concession Fees	16,907	12,956	120,439	114,965	(5,474)	146,095	78.7%	159,884	127,384
11) Exhibition Program Earned Income	38,750	33,344	375,175	380,209	5,034	401,897	94.6%	375,175	421,810
12)FAM Membership Dues	221,172	247,994	1,901,157	1,797,927	(103,230)	2,472,240	72.7%	2,622,240	1,775,549
13) Conservation Services	21,189	51,730	180,108	217,607	37,499	275,000	79.1%	254,270	147,504
14) Miscellaneous									
--Development Trip Fees	20,000	16,690	140,000	126,450	(13,550)	210,000	60.2%	140,000	118,500
--Other Fees	31,777	29,892	270,102	342,365	72,263	528,335	64.8%	381,320	509,420
Subtotal Revenue	833,666	652,552	6,028,775	5,514,317	(514,458)	7,152,521	77.1%	7,788,038	5,948,984
Total Support & Revenue	1,166,828	1,659,350	9,427,725	10,421,950	994,225	13,675,023	76.2%	12,589,043	9,811,588

Museum Attendance:

February 1998: 69,736 visitors, 39.7% paid, budgeted - 100,000 visitors, 45% paid.
Year to Date: 543,410 visitors, 44.4% paid, budgeted - 650,000, 45% paid.

Membership:

Year to date: 32,789 dues paid members averaging $54 83 per member
compared to budgeted goals of 34,800 dues paid members averaging $54 63 per member
Current active paying members = 46,037

COFAM FY 1997-98 Operating Budget At March 31, 1998 (9 Months –75% Of The Budget Year)

	(1)		(2)			(3)			(4)
	March		9-Months			Rolling	% Actual		Actual Prior
	Original Budget	Actual	Original Budget	Actual	Variance to Y-T-D Budget	Forecast 4/18/98	To Rolling Forecast	Original Budget	Year At 9 Months
EXPENSES									
Personnel Expenses									
15) Curatorial									
Curatorial/Conservation/Education	174,062	151,457	1,605,103	1,592,911	(12,192)	2,267,652	70.2%	2,262,805	1,571,485
Project Funded Employees	33,751	66,693	320,633	318,971	(1,662)	492,604	64.8%	438,761	326,399
Exhibit Group	62,633	64,774	578,644	542,080	(36,564)	807,178	67.2%	814,231	532,437
Exhibit Program Temporary Labor	7,254	12,643	133,414	114,167	(19,247)	173,814	65.7%	173,814	170,633
16) Development	36,693	36,738	340,233	360,586	20,354	476,203	75.7%	477,009	335,066
17) Administration									
Administration General	87,610	86,409	816,523	800,924	(15,599)	1,162,245	68.9%	1,138,927	737,894
New DeYoung Planning	0	12,996	0	121,749	121,749	166,102	73.3%	0	0
Operations Group	15,641	15,129	146,025	142,502	(3,523)	203,136	70.2%	203,335	142,828
Stores	41,714	36,080	338,685	349,663	10,978	489,236	71.5%	447,647	352,441
Facilities Rental	16,321	4,621	149,045	131,056	(17,989)	244,136	53.7%	212,167	138,107
18) Marketing & Membership									
General	16,828	10,006	155,791	151,770	(4,021)	200,143	75.8%	218,766	153,997
Public Relations & Advertising	21,732	19,228	201,885	182,373	(19,512)	270,475	67.4%	282,510	187,357
FAM Membership Services	28,182	25,901	261,729	253,371	(8,358)	350,264	72.3%	366,366	264,731
Subtotal Personnel	542,420	542,675	5,047,710	5,062,123	14,413	7,303,188	69.3%	7,036,338	4,913,375

COFAM FY 1997-98 Operating Budget At March 31, 1998 (9 Months –75% Of The Budget Year)

	(1) March		(2) 9-Months			(3)			(4)
	Original Budget	Actual	Original Budget	Actual	Variance to Y-T-D Budget	Rolling Forecast 4/18/98	% Actual To Rolling Forecast	Original Budget	Actual Prior Year At 9 Months
Other Expenses									
19) Curatorial									
Curatorial/Conservation/Education	51,050	50,958	432,596	375,605	(56,991)	620,434	60.5%	616,293	406,135
Publications	5,000	0	48,000	38,514	(9,486)	92,864	41.5%	68,000	57,250
Exhibit Group	7,417	(1,221)	63,042	72,868	9,826	90,100	80.9%	89,000	40,717
Exhibit Program	88,988	90,613	1,002,974	996,817	(6,157)	1,412,160	70.6%	1,283,121	992,097
20) Development									
Development General	22,725	51,019	361,175	395,288	34,113	573,465	68.9%	543,850	309,261
Benefits	0	30,715	93,000	113,306	20,306	113,305	100.0%	163,000	39,460
21) Administration									
Administration General	57,387	137,671	491,789	641,346	149,557	737,333	87.0%	696,643	618,183
New DeYoung Planning	4,000	90,429	30,000	383,622	353,622	400,000	95.9%	0	0
Operations Group	45,010	47,610	382,585	402,049	19,464	516,731	77.8%	540,120	363,887
Facilities Rental	1,500	995	12,500	21,434	8,934	15,975	134.2%	17,750	22,995
Stores	9,000	7,774	78,100	61,499	(16,601)	77,500	79.4%	100,000	90,010
22) Marketing & Membership									
General	9,540	20,451	79,497	79,300	(197)	108,960	72.8%	114,475	62,811
Media Relations & Advertising	27,300	58,570	310,556	304,172	(6,384)	361,980	84.0%	402,200	216,695
FAM Membership Services	72,654	51,320	470,801	478,086	7,285	647,700	73.8%	661,022	408,946
Subtotal Other Expenses	401,571	636,904	3,856,615	4,363,906	507,291	5,768,507	75.7%	5,295,474	3,628,447
Total Expenses	943,991	1,179,579	8,904,325	9,426,029	521,704	13,071,695	72.1%	12,331,812	8,541,822
SUPPORT & REVENUE OVER EXPENSES	222,837	479,771	523,400	995,921	472,521	603,328	n/a	257,231	1,269,766
LESS COFAM SUPPORT OF BOND MEASUR	0	0	0	(200,000)	(200,000)	(600,000)		0	(172,000)
SUPPORT & REVENUE OVER EXPENSES	222,837	479,771	523,400	795,921	272,521	3,328		257,231	1,097,766
LESS PLANT FUND DEPRECIATION	(25,000)	(25,000)	(225,000)	(225,000)	0	(300,000)		(259,500)	(185,355)
	197,837	454,771	298,400	570,921	272,521	(296,672)	n/a	(2,269)	912,411

Annual Contributions Report -- Month Ending March 31, 1998 (75% Of The Budget Year)

(1)	(2)			(3)				(4)		
Contribution Categories	March 1998 Budget	March 1998 Actuals	March 1997 Actuals	Year To Date Budget	Year To Date Actuals	Variance to Y-T-D Budget	Prior Year Actuals	Current Year Annual Goals	Revised Current Year Annual Goals	Current Year % of Revised Annual Goals Achieved
1) Associates ($5,000 and up)	75,000	329,132	35,199	950,000	1,351,852	401,852	1,108,610	1,400,000	1,450,000	93.2%
2) Patrons ($2,500 - $5,000)	7,500	0	14,883	55,000	82,817	27,817	51,090	55,000	75,000	110.4%
3) Friends ($1,000 - $2,500)	30,000	44,364	31,278	305,000	305,412	412	309,964	450,000	420,000	72.7%
4) National Council/Other	2,000	9,650	6,092	52,000	44,900	(7,100)	45,927	45,000	55,000	81.6%
5) Mail Drive	0	5,943	1,192	119,000	144,494	25,494	104,697	150,000	125,000	115.6%
6) Phone Campaign	0	0	0	35,000	10,360	(24,640)	0	150,000	125,000	8.3%
7) Business	15,000	15,488	7,830	120,000	124,345	4,345	103,905	150,000	150,000	82.9%
8) Foundations	10,000	20,000	115	90,000	107,896	17,896	87,425	100,000	100,000	107.9%
	139,500	424,577	96,589	1,726,000	2,172,076	446,076	1,811,618	2,500,000	2,500,000	86.9%

Appendix "B" -- Stores Report: 9 Months Ended March 31,1998

	In House Merchandising				Outside Merchandising	
	(1) deYoung Store		(2) Legion Store		(3) Wholesale & Royalties	
	Budget	Actual	Budget	Actual	Budget	Actual
Sales	584,500	435,247	831,900	656,378	118,071	70,414
Discounts	(52,605)	(27,688)	(49,914)	(29,663)		
Cost of Goods	(298,095)	(261,602)	(432,588)	(350,764)	(74,382)	(38,475)
Commissions	0	0	0	0	(10,299)	(746)
Gross Profit	233,800	145,957	349,398	275,951	33,390	31,193
Personnel Expenses	131,917	125,842	102,732	114,855	31,001	31,479
Other Expenses	29,500	41,740	28,000	6,155	0	0
Total Expenses	161,417	167,582	130,732	121,010	31,001	31,479
Gross Profit Over Expens	72,383	(21,625)	218,666	154,941	2,389	(286)
Variance to Year To Date		(94,008)		(63,725)		(2,675)

	Exhibition Merchandising							
	(4) Larco Store		(5) Utrecht Store		(6) Harlem Store		(7) Grand Totals	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
Sales	108,000	191,135	171,863	149,370	157,642	213,607	1,971,976	1,716,151
Discounts	(3,240)	(8,548)	(5,156)	(7,065)	(4,729)	(7,347)	(115,644)	(80,311)
Cost of Goods	(54,000)	(102,279)	(85,932)	(79,186)	(78,821)	(117,171)	(1,023,817)	(949,477)
Commissions	0	0	0	0	0	0	(10,299)	(746)
Gross Profit	50,760	80,308	80,776	63,120	74,092	89,089	822,216	685,617
Personnel Expenses	5,714	18,156	35,805	40,212	31,515	19,120	338,684	349,664
Other Expenses	3,400	3,691	10,200	7,119	6,000	2,794	77,100	61,499
Total Expenses	9,114	21,847	46,005	47,331	37,515	21,914	415,784	411,163
Gross Profit Over Expens	41,646	58,461	34,771	15,789	36,577	67,175	406,432	274,454
Variance to Year To Date		16,815		(18,982)		30,598		(131,978)

Appendix "C" -- Exhibition Program FY 1997-98

Revised 4/8/98

		Venue	(1) Runs		(2) Cost		(3) Gifts and Grants			(4) Income		(5) Nets	
					Original	Revised	Original	Revised		Original	Revised	Original	Revised
In-House Exhibitions													
1	Berlin Pergamon (199)	Traveling				0					5,629	0	5,629
											Participation fees		
2	Nasher Sculpture (183)	Traveling				0					31,335	0	31,335
											Participation fees		
3	If the Shoe Fits (182)	D	07-Dec-96	05-Oct-97	-	0						0	0
4	Art of the Americas - Pride of Place (138)	D	15-Mar-97	06-Jul-97	-	2,000						0	(2,000)
5	John Martin Deluge Trilogy (146)	L	10-May-97	03-Aug-97	35,150	15,000				15,000	5,841	(20,150)	(9,359)
											Yale		
6	Life & The Afterlife In Ancient Peru (124)	D	17-May-97	10-Aug-97	62,095	63,260				50,000	112,971	(12,095)	49,711
					Includes Knoxville payment					Admissions $54k, Audio $9.5k			
7	Roy Lichtenstein (145)	D	31-May-97	07-Sep-97	-	0				$49.4k Knoxville Part fee		0	0
8	Contemporary Art	D	07-Jun-97	28-Sep-97	-	0						0	0
9	Nathan Oliveira Monotypes (147)	L	14-Jun-97	14-Sep-97	14,688	25,703						(14,666)	(25,703)
10	Recent Acquisitions to AFGA (148)	L	14-Jun-97	14-Sep-97	11,418	10,776						(11,418)	(10,776)
11	Andean Textiles (116)	D	21-Jun-97	19-Oct-97	1,700	1,700						(1,700)	(1,700)
12	Legion Deinstallation (150)	L	01-Jul-97	15-Sep-97		21,889						0	(21,889)
13	Art of the Americas Identity Crisis (137)	D	26-Jul-97	07-Dec-97	15,120	16,500	13,120	16,500	NEA			0	0
							2,000	2,000	LEF				
14	American Galleries - Hallway Cases	D	01-Aug-97	31-Aug-97	9,850	9,850						(9,850)	(9,850)
15	Masters of Light - Utrecht (125)	L	13-Sep-97	30-Nov-97	486,248	520,000	100,000	100,000	Auxiliary	160,450	142,033	(225,798)	(277,967)
										$123K - Admissions, $19K - Audio			
16	Thirty-Five Years at Crown Point (142)	L	04-Oct-97	04-Jan-98	93,366	93,366		5,000	McCutcheon, Doyle			(93,366)	(88,366)
17	Morgan Flagg Collection (130)	D	18-Oct-97	22-Feb-98	8,558	21,261						(8,558)	(21,261)
18	IKAT - Splendid Silks from Central Asia (141)	D	15-Nov-97	01-Mar-98	52,028	72,000						(52,028)	(72,000)
19	Recent Costume Acquisitions I (151)	D	22-Nov-97	30-May-98	5,025	2,814						(5,025)	(2,814)
20	Arts of the Americas - Art and Ethnography (139)	D	20-Dec-97	12-Apr-98	14,595	14,595	12,595	12,595	NEA			0	(2,000)
							2,000	2,000	LEF				
21	Harlem Renaissance(132)	L	17-Jan-97	15-Mar-98	138,289	138,289	20,000	38,987	Anonymous - $20K	149,725	104,286	31,436	2,986
									Essey - $7K	$88.5K - Admissions, $8K - Audio			
									Nordstrom - $10K				

Continued

Appendix "C" – Exhibition Program FY 1997-98

Revised 4/8/98

		Venue	(1) Runs		(2) Cost		(3) Gifts and Grants			(4) Income		(5) Nets	
					Original	Revised	Original	Revised		Original	Revised	Original	Revised
22	Printed Portraits Selections from the Anderson Collection	L	24-Jan-98	26-Apr-98	9,250	9,250						(9,250)	(9,250)
23	AFGA Collection of Graphic Arts (Lautrec/tentative)	L	Postponed		10,950	0						(10,950)	0
24	Later Paintings from India - Ehrenfeld Collection (152)	L	07-Feb-98	03-May-98	44,725	44,725						(44,725)	(44,725)
25	Treasures from the Tevuren Museum (134)	L	21-Feb-98	19-Apr-98	198,240	198,240						(198,240)	(198,240)
26	Hidden Treasures (180)	CH	01-Jan-98	01-Feb-98		13,500							(13,500)
27	Bouquets to Art	L	01-Mar-98	01-Mar-98	-	-						0	0
28	AOA rotation	D	01-Mar-98	ongoing	1,925	-						(1,925)	0
29	Achenbech 50th Anniversary (123)	L	18-Apr-98	06-Jul-98		10,000						0	(10,000)
30	Israeli Glass (159)	D	02-May-98	23-Aug-98		89,970		50,000	Oeher - $30K Jewish Fed - $20k			0	(39,970)
31	Dior (Tentative)	D	Postponed		58,826	-						(58,826)	0
32	Youth Arts Festival	D	06-May-98	10-May-98	-	0						0	0
33	Textile Galleries	D	01-May-98	ongoing	9,608	9,608						(9,608)	(9,608)
34	Anderson Collection of Graphic Arts	L	09-May-98	09-Aug-98	9,250	9,250						(9,250)	(9,250)
35	AFGA Collection of Graphic Arts/Milton (181)	L	28-Feb-98	22-May-98	6,750	7,000						(6,750)	(7,000)
36	Stanley Spencer (133)	L	08-Jun-98	06-Sep-98	73,422	73,422						(73,422)	(73,422)
37	John Steuart Curry - Inventing the West (127)	D	13-Jun-98	30-Aug-98	82,856	82,856	82,856	82,856	Root			0	0
38	Recent Costume Acquisitions II	D	Postponed		3,225	0						(3,225)	0
39	George Fitch Collection (154)	D	01-Jun-98	01-Sep-98	-	9,350						0	(9,350)
40	Grants and Gifts To Be Raised											0	
			Total In-House Exhibits		1,456,935	1,585,974	232,371	307,738		375,175	401,897	(849,389)	(880,339)

Temporary Exhibition Personnel Costs = 173,814
Other Expense = 1,412,160

ASSETS		LIABILITIES & FUND BALANCES	
Cash	465,277	Accounts Payable	481,226
Cash Equivalents	3,585,950	Other Accrued Liabilities	3,293,756
Accounts Receivable	3,041,677	Deferred Income - Restricted	1,708,292
Prepaid Expenses	367,176	Deferred Income - Unrestricted	3,128,047
Note Receivable	100,000	Fund Balances	
Inventory - Store	770,218	Unrestricted Fund	2,894,250
Inventory - Publications	601,377	Plant Fund	(2,173,997)
Investment in Bonds	750,000	Revenues over Expenses	879,304
Furniture & Equipment (Net)	529,203	(Note 2)	
	10,210,878		10,210,878

COFAM Reserve At 3/31/98	2,359,630

Note 1 -- Reserve Formula

Cash & Cash Equivalents	4,051,227
Bonds	750,000
Accounts Receivable	3,041,677
Less Accounts Payable	(481,226)
Less Other Accrued Liabilities	(3,293,756)
Less Deferred Income - Restricted	(1,708,292)
	2,359,630

Note 2 -- Revenues over Expenses

Operating Revenue over Expenses	796,326
Less Plant Fund	(273,266)
Plus Restricted Funds	356,244
Less Airport Fund	0
Surplus / (Deficit)	879,304

ASSETS	
Cash	480,353
Cash Equivalents	3,248,257
Accounts Receivable	2,992,585
Prepaid Expenses	339,230
Note Receivable	100,000
Inventory - Store	712,945
Inventory - Publications	485,249
Investment in Bonds	750,000
Furniture & Equipment (Net)	554,290
	9,662,909

LIABILITIES & FUND BALANCES	
Accounts Payable	445,960
Other Accrued Liabilities	3,272,174
Deferred Income - Restricted	1,677,075
Deferred Income - Unrestricted	3,206,112
Fund Balances	0
Unrestricted Fund	2,884,473
Plant Fund	(2,173,997)
Revenues over Expenses (Note 2)	351,112
	9,662,909

COFAM Reserve At 2/28/98	2,075,986

Note 1 -- Reserve Formula

Cash & Cash Equivalents	3,728,610
Bonds	750,000
Accounts Receivable	2,992,585
Less Accounts Payable	(445,960)
Less Other Accrued Liabilities	(3,272,174)
Less Deferred Income - Restricted	(1,677,075)
	2,075,986

Note 2 -- Revenues over Expenses

Operating Revenue over Expenses	316,151
Less Plant Fund	(240,934)
Plus Restricted Funds	275,895
Less Airport Fund	
Surplus / (Deficit)	351,112

CORPORATION OF THE FINE ARTS MUSEUMS

Executive Committee
Board of Trustees

May 14, 1998

DOCUMENTS DEPT.
SAN FRANCISCO
PUBLIC LIBRARY

Call to Order

A meeting of the Executive Committee of the Board of Trustees of the Corporation of The Fine Arts Museums was held on Thursday, May 14, 1998, in the 6th Floor Conference Room of the Museums' Administrative Offices at 233 Post Street, San Francisco. A quorum being present, the meeting was called to order at 1:41 p.m. by Richard W. Goss, Chairman. President Wilsey presided; Mrs. Gough acted as Secretary.

Roll Call

Present:

Alvin H. Baum, Jr.
Charles Crocker
Mrs. Ray Dolby, Vice President/Annual Support
Richard P. Essey
Richard P. Finn, Vice President/Finance
Ms. Frankie Jacobs Gillette, Vice President/Civic Affairs
Richard W. Goss II, Chairman
David M. Jamison, Vice President/Audience Development
J. Alec Merriam, Vice President/Collections
Nion McEvoy
Steven MacGregor Read, Vice President/Facilities
Mrs. Alfred S. Wilsey, Chairman

Excused:

J. Burgess Jamieson
Michael E. O'Neill
Frank Montgomery Woods

Other Trustees in Attendance:

Mrs. June Goethe Craycroft
Carlos Pedro Villa

The following non-voting officers were present:

Harry S. Parker III, Chief Executive Officer
Steve Dykes, Treasurer
Judy Gough, Secretary

Report of the Chairman - Richard W. Goss II

There was no business to report by the Chairman.

Report of the President - Mrs. Alfred S. Wilsey

A. Consideration and Possible Action to Approve the Minutes of the April 9, 1998 Annual Meeting of the Board of Trustees

There being no discussion among the Trustees or members of the public, the minutes of the April 9, 1998 annual meeting of the Board of Trustees, having been mailed in advance to all Trustees, were unanimously approved.

B. Report of the Campaign Committee to Rebuild the de Young Museum in Golden Gate Park

Mr. Parker reported that $275,000 has been solicited from approximately 1,400 donors in support of the campaign to rebuild the de Young Museum in Golden Gate Park. Campaign expenses are within budget.

Chief Executive Officer's Report - Harry S. Parker III

A. Report on COFAM Operating Budget as of March 31, 1998

Steve Dykes, Deputy Director for Administration and Finance, presented the Operating Budget Report. On March 31st, the operating budget was $795,921 in the black primarily due to taking $566,538 into support from a $300,000 major unrestricted gift plus two unrestricted bequests to help achieve a balanced budget by year end. The exceptional use of non-recurring funds underscores the loss of de Young revenue from low attendance, resulting from the shift of all major shows to the Legion after the loss of federal indemnification last summer. Unfortunately, the Legion cannot compensate for the de Young's decline, owing to the legion having only half the visitor capacity of the de Young, limited parking, poor public transit, and an out-of-the-way location. Next fiscal year, three major exhibitions will mask the museum's new structural shortfall,

A. Report on COFAM Operating Budget as of March 31, 1998 (continued)

which will likely re-emerge in FY 1999-2000 and will have to be grappled with until the de Young is rebuilt.

Annual contributions were up substantially. However, current revenues continued to be weak, especially in those areas tied to attendance such as general admission fees and store sales. Membership dues remained somewhat off. Personnel expenses were very close to budget, and other expenses were higher than original expectations largely because of new de Young planning costs, which were covered by restricted funds. Note that other expenses included a $200,000 unbudgeted contribution from COFAM to the Committee to Rebuild the de Young Museum in Golden Gate Park.

The COFAM reserve was $2,359,630. Board policy is to maintain a $2 million reserve.

A substantially updated rolling forecast is included in the March budget report. This plan narrowly achieves a balanced budget by year end on June 30th, assuming a high level of annual contributions, reliance upon windfall bequests and a major gift, maximizing all revenue sources, capping expenses, locking in savings wherever possible, and holding COFAM contributions to the new de Young bond measure campaign to $600,000.

B. Consideration and Possible Action to Adopt a Resolution Designating Proceeds from the Estate of Barbara B. Anargyros as COFAM Operating Budget Support

Mr. Parker presented the following resolution noting that it is unusual to request that an unrestricted bequest be used as operating budget support and that it is preferred to designate such funds to support an art acquisition:

> WHEREAS, On May 14, 1997, Irene V. Barrese, attorney representing the Estate of Barbara B. Anargyros, informed the Museums that decedent Barbara B. Anargyros named the M. H. de Young Memorial Museum and the California Palace of the Legion of Honor as beneficiaries to receive two-sevenths of her estate; and
>
> WHEREAS, Two bequests each in the amount of $33,500 for a total of $67,000, representing the Museums' unrestricted portion of the final distribution of the proceeds from the Estate of Barbara B. Anargyros, was received in April 1998; and
>
> WHEREAS, The Director of Museums recommended that the $67,000 in proceeds from the Estate of Barbara B. Anargyros be designated as Fiscal Year 1997-98 COFAM Operating Budget support, now, therefore, be it

B. **Consideration and Possible Action to Adopt a Resolution Designating Proceeds from the Estate of Barbara B. Anargyros as COFAM Operating Budget Support (continued)**

RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museums of San Francisco, upon the recommendation of the Director of Museums, does hereby designate the $67,000 in proceeds from the Estate of Barbara B. Anargyros as Fiscal Year 1997-98 COFAM Operating Budget support.

On motion, duly seconded, the Executive Committee unanimously adopted the foregoing resolution as **Board Resolution 209** with sincere appreciation to decedent Barbara B. Anargyros.

C. **Consideration and Possible Action to Adopt a Resolution Designating Proceeds from the John William Coy Charitable Remainder Unitrust for Unrestricted Art Acquisition**

Mr. Parker announced that an unrestricted bequest from the John William Coy Charitable Remainder Unitrust in the amount of $185,753.36 has recently been received. He presented the following resolution, which designates the use of the proceeds for unrestricted art acquisition:

WHEREAS, On March 10, 1998, Sohee Lim, Trust Officer, Charitable Management Services, Bank of America, informed the Fine Arts Museums of San Francisco that decedent John William Coy had named the M. H. de Young Memorial Museum and the California Palace of the Legion of Honor as beneficiaries to receive an unrestricted two-sixths of his Charitable Remainder Unitrust; and

WHEREAS, On April 24, 1998, the first and final distribution from the John William Coy Charitable Remainder Unitrust in the amount of $185,753.36 was received by the Fine Arts Museums of San Francisco; and

WHEREAS, The Director of Museums recommended the disposition of the proceeds for unrestricted art acquisition; now, therefore, be it

RESOLVED, That the Board of Directors does hereby restrict the proceeds from the John William Coy Charitable Remainder Unitrust for unrestricted art acquisition.

C. Consideration and Possible Action to Adopt a Resolution Designating Proceeds from the John William Coy Charitable Remainder Unitrust for Unrestricted Art Acquisition (continued)

On motion, duly seconded, the Executive Committee unanimously adopted the foregoing resolution as **Board Resolution 210** with sincere appreciation to decedent John William Coy.

D. Consideration and Possible Action to Adopt a Resolution to Open a Stock Brokerage Account at Emmett A. Larkin Company, Inc.

Mr. Parker presented the following resolution:

RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museums does hereby authorize the Treasurer and Controller of the Corporation to open an account in the name of the Corporation at the stock brokerage firm of Emmett A. Larkin Company, Inc., for the sole purpose of receiving and selling gifted shares of stock to this Corporation; and be it

FURTHER RESOLVED, That this account remains in full force until rescinded or modified by this Board.

On motion, duly seconded, there was no discussion among Trustees or members public. The Executive Committee unanimously adopted the above resolution as **Board Resolution 211**.

E. Consideration and Possible Action to Adopt a Resolution Covering the Transfer of Securities at Emmett A. Larkin Company, Inc.

Mr. Parker presented the following resolution:

RESOLVED, That any one of the following officers and employees of the Corporation of The Fine Arts Museums, to wit:

Harry S. Parker III, Chief Executive Officer
Stephen E. Dykes, Treasurer
Barbara Boucke, Deputy Director for Development
Robert M. Cullison, Controller

and he/she is authorized to sell, assign, transfer or dispose of any stocks, bonds, or other securities now or hereafter owned or held by the Corporation at Emmett A. Larkin Company, Inc.; and be it

E. **Consideration and Possible Action to Adopt a Resolution Covering the Transfer of Securities at Emmett A. Larkin Company, Inc. (continued)**

FURTHER RESOLVED, That any Transfer Agent, Registrar or issuer of securities to whom a copy of this resolution shall be delivered may rely upon this resolution until such time as written notice of any change, amendment or cancellation thereof shall have been received by such Transfer Agent, Registrar or issuer of securities.

On motion, duly seconded, there was no discussion among Trustees or members of the public. The Executive Committee unanimously adopted the above resolution as **Board Resolution 212.**

F. **Report of Lease Amendment for Administrative Office Space at 233 Post Street**

The five year lease for administrative office space at 233 Post Street totaling approximately 11,000 square feet includes all of the third, fifth and sixth floors, and 1,300 square feet on the mezzanine level. The second floor recently became available, and the Museums was able to negotiate an amendment to the lease to occupy the second floor and vacate the mezzanine space. The membership department has moved from the mezzanine into the second floor space.

Report of the Budget Committee - Richard H. Finn, Chair and Vice President

A. **Consideration and Possible Action to Adopt a Resolution for a Balanced 1998-99 Operating Budget**

At its meeting on April 30, 1998, the Budget Committee had its initial discussion regarding the FY 1998-99 Operating Budget. As in the past, the Budget Committee recommends the following resolution for a balanced FY 1998-99 Operating Budget. Trustee Finn noted that this fundamental financial policy of balanced operating budgets now includes plant fund depreciation.

WHEREAS, The Board of Trustees of the Corporation of the Fine Arts Museums (COFAM) is strongly committed to the policy of achieving a balanced operating budget in every fiscal year; and

WHEREAS, Balanced budgets are key to the financial stability of the museum and to the sound management of its resources; and

WHEREAS, A balanced operating budget has been achieved in all of COFAM's previous fiscal years; now, therefore, be it

A. Consideration and Possible Action to Adopt a Resolution for a Balanced 1998-99 Operating Budget (continued)

RESOLVED, That the Board of Trustees of the Corporation of the Fine Arts Museums continues to endorse the fundamental financial policy of balanced operating budgets and now expands that policy to include plant fund depreciation; and be it

FURTHER RESOLVED, That COFAM's Chief Executive Officer is instructed to take the necessary actions to carry out the balanced operating budget policy in FY 1998-99 and in succeeding years.

On motion, duly seconded, there was no discussion among Trustees or members of the public. The Executive Committee unanimously adopted the above resolution as **Board Resolution 213.**

Report of the Annual Support Committee - Mrs. Ray Dolby, Chair and Vice President

As if March 31, annual contributions were $446,076 ahead of original budget but on line with the rolling forecast target. The annual fund raising goal has been increased to $2,800,000. All efforts are directed at meeting this revised goal by fiscal year end on June 30, 1998. Trustee Dolby expressed appreciation to the Trustees, who are largely responsible for the positive results thus far.

Report of the Fine Arts Museums Foundation - Charles Crocker, President

Trustee Charles Crocker, President of the Fine Arts Museums Foundation, presented the Endowment Fund Report. At the close of business on May 8, 1998, the Endowment Fund portfolio was valued at $65,441,388. It was invested 67.83% in equities, 31.38% in fixed income, and 1.00% in cash and cash equivalents.

Adjournment - Richard W. Goss II, Chairman

There being no further business, the meeting was adjourned at 2:00 p.m. in memory of George D. Hart, Trustee Emeritus.

Respectfully submitted,

Judy Gough
Executive Secretary
Museums

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FINE ARTS MUSEUMS of SAN FRANCISCO

Board of Trustees
California Palace of the Legion of Honor
M.H. de Young Memorial Museum

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OFFICIAL MEETING NOTICE

Corporation of The Fine Arts Museums
Executive Committee of the Board of Trustees

Thursday, September 10, 1998
12:30 P.M.[1]
Administrative Offices
233 Post Street, 6th Floor Conference Room
San Francisco, California

AGENDA

I. Call to Order - Mrs. Alfred S. Wilsey, President

II. Calling of the Roll

Trustees:

Alvin H. Baum, Jr.
Charles Crocker
Mrs. Ray Dolby, Vice President/Annual Support
Richard P. Essey
Richard H. Finn, Vice President/Finance
Ms. Frankie Jacobs Gillette, Vice President/Civic Affairs
Richard W. Goss II, Chairman
J. Burgess Jamieson
David M. Jamison, Vice President/Audience Development
J. Alec Merriam, Vice President/Collections
Nion T. McEvoy
Michael E. O'Neill
Steven MacGregor Read, Vice President/Facillities
Mrs. Alfred S. Wilsey, President
Frank Montgomery Woods

[1]Or such earlier time as the meeting of the Executive Committee of the Board of Trustees of the Fine Arts Museums of San Francisco ends, but in no event before 12:30 p.m.

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III. Report of the Chairman - Mrs. Alfred S. Wilsey, President, for Richard W. Goss II, Chairman

IV. Report of the President - Mrs. Alfred S. Wilsey

A. Consideration and Possible Action to Approve the Minutes of the June 11, 1998 Meeting of the Board of Trustees (See Appendix A)

B. Other Informational Items

V. Report of the Chief Executive Officer - Harry S. Parker III

A. Report on COFAM Operating Budget for Fiscal Year Ended June 30, 1998

B. Report on COFAM Operating Budget as of July 31, 1998 (To Be Distributed At Meeting)

VI. Report of the Budget Committee - Richard H. Finn, Chair and Vice President

A. Five Year COFAM Operating Budget Projections

VII. Report of the Annual Support Committee - Mrs. Ray Dolby, Chair and Vice President

VIII. Report of the Fine Arts Museums Foundation - Charles Crocker, President

IX. Adjournment - Mrs. Alfred S. Wilsey, President

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Public Meeting Requirements Relating to Accessibility

The subsequent information is in compliance with the Americans with Disabilities Act (ADA); the following will be made available upon request:

1. American sign language interpreters
2. A sound enhancement system
3. An agenda of meeting available in alternative formats
4. A reader during the meeting

To arrange for the above services, please contact Judy Gough at (415) 750-3669 at least two working days prior to the meeting.

Minutes of the meeting will be made in alternate formats upon request.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, those attending public meetings are reminded that other may be sensitive to various chemical based products. Please help the City to accommodate these individuals.

For access to 233 Post Street by BART, get off at the Montgomery Street Station. MUNI's wheelchair-accessible No. 38 line may also be taken to Geary and Stockton Streets, as well as wheelchair-accessible No. 2 line (east bound), which stops close to 233 Post Street. For more information about MUNI's accessible services, call (415) 923-6142. Accessible parking space (disabled-designated) is available at the Stockton-Sutter Parking Garage.

Accessible seating for persons with disabilities (including those using wheelchairs) will be provided. For Telecommunication Device for the Deaf (TDD), the Museums uses the California Relay Service.

Know Your Rights Under the Sunshine Ordinance

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils, and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code) or to report a violation of the ordinance, contact the Sunshine Ordinance Task Force at 554-6075.

If you are unable to attend the meeting, you may submit written comments to Judy Gough, Fine Arts Museums of San Francisco, 233 Post Street, 6th Floor, San Francisco, CA, 94108.

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CORPORATION OF THE FINE ARTS MUSEUMS

Executive Committee
Board of Trustees

September 10, 1998

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SAN FRANCISCO
PUBLIC LIBRARY

Call to Order

A meeting of the Executive Committee of the Board of Trustees of the Corporation of The Fine Arts Museums was held on Thursday, September 10, 1998, in the 6th Floor Conference Room of the Museums' Administrative Offices at 233 Post Street, San Francisco. A quorum being present, the meeting was called to order at 2:03 p.m. by Mrs. Alfred S. Wilsey, President. President Wilsey presided; Mrs. Gough acted as Secretary.

Roll Call

Present:

Alvin H. Baum, Jr.
Charles Crocker
Mrs. Ray Dolby, Vice President/Annual Support
Richard P. Essey
Richard P. Finn, Vice President/Finance
Ms. Frankie Jacobs Gillette, Vice President/Civic Affairs
David M. Jamison, Vice President/Audience Development
J. Alec Merriam, Vice President/Collections
Michael E. O'Neill
Mrs. Alfred S. Wilsey, Chairman
Frank Montgomery Woods

Excused:

Richard W. Goss II, Chairman
J. Burgess Jamieson
Nion McEvoy
Steven MacGregor Read, Vice President/Facilities

Other Trustees in Attendance:

Mrs. Ransom S. Cook
Mrs. Harry H. Wetzel

The following non-voting officers were present:

Harry S. Parker III, Chief Executive Officer
Steve Dykes, Treasurer
Judy Gough, Secretary

Report of the Chairman - Mrs. Alfred S. Wilsey, President, for Richard W. Goss II

There was no business to report.

Report of the President - Mrs. Alfred S. Wilsey

A. Consideration and Possible Action to Approve the Minutes of the June 11, 1998 Meeting of the Board of Trustees

There being no discussion among the Trustees or members of the public, the minutes of the June11, 1998 meeting of the Board of Trustees, having been mailed in advance to all Trustees, were unanimously approved.

Chief Executive Officer's Report - Harry S. Parker III

A. Report on COFAM Operating Budget for Fiscal Year Ended June 30, 1998

Mr. Parker asked Steve Dykes, Deputy Director for Administration and Finance, to present the preliminary, unaudited results of the COFAM operating budget for fiscal year ended June 30, 1998. Mr. Dykes reported that a pre-audit operating surplus of approximately $300,000 is anticipated, which may be enough to cover depreciation and amortization.

A. Report on COFAM Operating Budget as of July 31, 1998

Steve Dykes presented the Operating Budget Report as of July 31, 1998. The first month of FY 1998-99 ended with a positive operating result of $14,000, somewhat better than budget. The COFAM reserve was $1,876,000 compared to the $2 million Board policy level.

Variations between budget and actual numbers were not significant, mostly the result of timing differences between monthly budget plans and what actually occurred.

The bottom line is projected to dip nearly $1 million into the red this fall due to the heavy up front costs of *Picasso and the War Years* (October 10, 1998 through January 3, 1999) and *Impressionism in Winter* (January 30 through May 3, 1999). But the anticipated success

A. **Report on COFAM Operating Budget as of July 31, 1998 (continued)**

of these shows should put COFAM into a break even and then surplus posture after the first of the year. Careful management will be essential to produce these big shows efficiently and maximize their profitability, which masks a structural deficit due to a crippled de Young Museum.

Report of the Budget Committee - Richard H. Finn, Chair and Vice President

A. **Five Year COFAM Operating Budget Projections**

Chair Finn noted that his report and the five year COFAM operating budget projections were presented during the Executive Committee meeting of the Fine Arts Museums of San Francisco, which convened prior to this meeting.[1]

Report of the Annual Support Committee - Mrs. Ray Dolby, Chair and Vice President

Trustee Dolby announced that the $2.8 million revised annual fund raising goal for FY 1997-98 had been met. In fact, over $3 million was raised. Appreciation was extended to the donors, various fund raising support groups, and Development staff. For the first two months of the new fiscal year, annual contributions exceeded budget.

Report of the Fine Arts Museums Foundation - Charles Crocker, President

In the absence of Trustee Crocker, Trustee Woods presented the Endowment Fund Report. At the close of business on September 4, 1998, the Endowment Fund portfolio was valued at $58,139,982. It was invested 59% in equities, 39% in fixed income, and 2% in cash and cash equivalents.

Adjournment - Mrs. Alfred S. Wilsey, President

There being no further business, the meeting was adjourned at 2:10 p.m.

Respectfully submitted,

Judy Gough
Executive Secretary
Museums

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[1] The report is recorded on pages 2329-2330 of the minutes of the September 10, 1998 meeting of the Executive Committee of the Fine Arts Museums of San Francisco.

FINE ARTS MUSEUMS of SAN FRANCISCO

Board of Trustees
California Palace of the Legion of Honor
M.H. de Young Memorial Museum

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OFFICIAL MEETING NOTICE

Corporation of The Fine Arts Museums
Executive Committee of the Board of Trustees

Thursday, December 10, 1998
12:30 P.M.[1]
Administrative Offices
233 Post Street, 6th Floor Conference Room
San Francisco, California

AGENDA

I. Call to Order - Mrs. Alfred S. Wilsey, President

II. Calling of the Roll

Trustees:

Alvin H. Baum, Jr.
Charles Crocker
Mrs. Ray Dolby, Vice President/Annual Support
Richard P. Essey
Richard H. Finn, Vice President/Finance
Ms. Frankie Jacobs Gillette, Vice President/Civic Affairs
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Nion T. McEvoy
Michael E. O'Neill
Steven MacGregor Read, Vice President/Facillities
Mrs. Alfred S. Wilsey, President
Frank Montgomery Woods

[1]Or such earlier time as the meeting of the Executive Committee of the Board of Trustees of the Fine Arts Museums of San Francisco ends, but in no event before 12:30 p.m.

III. Report of the President - Mrs. Alfred S. Wilsey

A. Consideration and Possible Action to Approve the Minutes of the October 15, 1998 Meeting of the Board of Trustees (See Appendix A)

B. Report on Campaign 2000, Phase II, To Build a New de Young Museum

C. Report of the Architect Selection Committee

D. Other Informational Items

IV. Report of the Chief Executive Officer - Harry S. Parker III

A. Report on COFAM Operating Budget as of October 31, 1998 (See Appendix B)

B. Consideration and Possible Action to Adopt a Resolution Extending the Repayment of the Loan of the Osher Sculpture Garden Fund for the Seismic Bracing Project at the de Young Museum

WHEREAS, In December 1990, The Bernard Osher Foundation made a restricted gift to the Corporation of The Fine Arts Museums (COFAM) to build a sculpture garden at the M. H. de Young Memorial Museum; and

WHEREAS, The Osher Foundation agreed in June 1993 to allow a loan of the sculpture garden funds to pay for temporary seismic improvements to prevent the de Young Museum from collapsing in the event of a major earthquake; and

WHEREAS, The loan obligation of principal and interest was $2,733,359 at June 30, 1998; and

WHEREAS, The COFAM Board of Trustees had hoped to pay off the loan from proceeds from a City of San Francisco general obligation bond sale to build a new de Young Museum; and

WHEREAS, Neither the November 1996 or the June 1998 general obligation bond measures were approved; and

B. Consideration and Possible Action to Adopt a Resolution Extending the Repayment of the Loan of the Osher Sculpture Garden Fund for the Seismic Bracing Project at the de Young Museum (continued)

WHEREAS, The term of the loan, which was to expire on December 31, 1997, was generously extended by Trustee Osher to December 31, 1998; now, therefore, be it

RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museums does hereby authorize its President and Chief Executive Officer to take all necessary actions to extend the loan to at least December 31, 1999; and, be it

FURTHER RESOLVED, That the COFAM Board of Trustees expresses its gratitude to Bernard Osher and the Osher Sculpture Garden Fund for providing the funds for the de Young Museum temporary seismic repairs in order to keep the Museum open to the public.

C. Consideration and Possible Action to Approve a Change in Name for The Fine Arts Museums Auxiliary to the San Francisco Auxiliary of the Fine Arts Museums (See Appendix C)

D. Consideration and Possible Action to Adopt a Resolution Authorizing Bank Account Signatures

WHEREAS, In October 1987, in accordance with Board Resolution Number 4, the Corporation of The Fine Arts Museums established a bank account with Wells Fargo Bank, N.A. ("Wells Fargo") at the 5455 Geary Boulevard Branch, San Francisco; and

WHEREAS, From time to time, the bank account signers are changed by resolution (33, 91, 121 and 172); now, therefore, be it

RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museums (COFAM) does hereby authorize that any one of the following nine persons may sign checks or other instruments withdrawing funds from the account for $1,000 or less; that the signatures of two of the following nine are needed for checks or other instruments between $1,001 up

D. Consideration and Possible Action to Adopt a Resolution Authorizing Bank Account Signatures (continued)

to and including $10,000; and that for checks and other instruments over $10,000, one signatory of numbers 1-5 and one signatory of numbers 6-9 is required:

1) Harry S. Parker III, Chief Executive Officer
2) Stephen E. Dykes, Treasurer
3) Michele Gutierrez, Fiscal Officer for the Foundation
4) Barbara Boucke, Deputy Director for Development
5) Robert M. Cullison, Controller
6) Diane B. Wilsey, President
7) Charles Crocker, Trustee
8) Richard H. Finn, Vice President/Finance
9) Lorna F. Meyer, Trustee; and be it

FURTHER RESOLVED, That the authorized check signer cannot be the sole signature on a check or other instrument paying an invoice he or she has previously authorized for payment; and be it

FURTHER RESOLVED, That Resolution Number 4 remains in full force except the names of the check signers have changed and be it

FURTHER RESOLVED, That Resolution Number 172 (Bank Account Signers) is hereby rescinded.

E. Report of ArtPoint *Picasso and the War Years* Event - Jeanne Torre, Chair (To Be Distributed)

F. Other Informational Items

V. Report of the Annual Support Committee - Mrs. Ray Dolby, Chair and Vice President

VI. Report of the Fine Arts Museums Foundation - Harry S. Parker, Executive Director, for Charles Crocker, President

VII. Adjournment - Mrs. Alfred S. Wilsey, President

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COFAM Operating Budget Report
Month Ended 31 October 1998

Overview

Cumulative four month operating results were ($404) – about $526k better than budget, owing to stronger resources and lower expenses than anticipated.

The reserve was $1.1m, an improvement over the $700k forecast, given the substantial front end costs of the *Picasso* and *Impressionists* exhibitions. Board policy is to maintain a $2m reserve, and the budget plan is to achieve this goal by the end of the fiscal year (6/30/99).

Highlights

Total resources were up $260k. Annual Contributions were basically on track; exhibition grant income was better than budget. Membership dues, exhibit earned income and general admission fees led revenue gains. Overall store sales were good through October, but the *Picasso* store will not hit the overly ambitious target of $6 sales per visitor, compared to $3.67 actual. All other aspects of the exhibition are either meeting or surpassing expectations.

Personnel expenses trailed budget, as did other costs for a total expense underage of $260k.

Staff is preparing a mid-year rolling forecast for the Budget Committee. On the whole, the first half of the year has gone well. However, the success of the upcoming *Impressionists* and *V&A* shows will be essential to close the year in the black.

# # #

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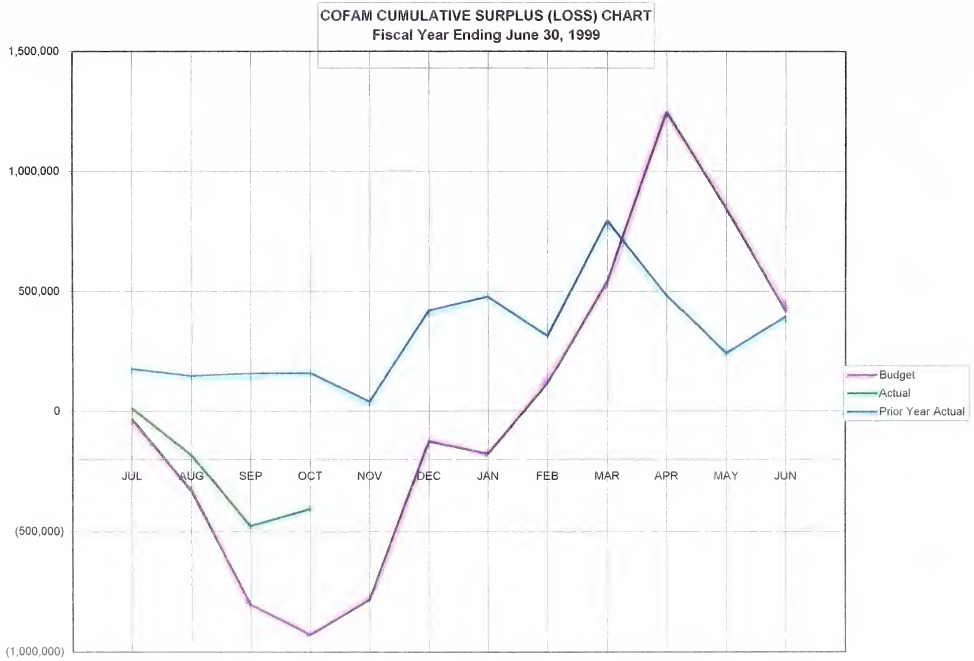
COFAM Operating Budget Report for the Month Ended 31 October 1998

	Page
Cumulative Surplus (Loss) Chart	i
Budget-In-Brief	1
Annual Contributions – Appendix "A"	5
Stores Report – Appendix "B"	6
Exhibition Program – Appendix "C"	7
Balance Sheets	9


COFAM CUMULATIVE SURPLUS (LOSS) CHART
Fiscal Year Ending June 30, 1999
1,500,000
1,000,000
500,000
0
(500,000)
(1,000,000)
JUL
AUG
SEP
OCT
NOV
DEC
JAN
FEB
MAR
APR
MAY
JUN
Budget
Actual
Prior Year Actual

$ in thousands

	(1)		(2)			(3)		(4)	
	October		4-Months						
	Original Budget	Actual	Original Budget	Actual	Variance to Y-T-D Budget	Budget	% Actual To Budget	Actual Prior Year At 4 Months	
SUPPORT & REVENUE									
Support									
1) Annual Contributions	187	177	477	487	10	2,655	18.3%	519	See page 5
2) Bequests and Major Unrestricted Gifts	0	0	0	0	0	0	0.0%	237	
3) Foundation Endowment Support	106	106	425	425	0	1,275	33.3%	369	
4) Specified Funds									
--Curatorial/Conservation	33	41	145	147	2	414	35.5%	128	
--Publications	1	0	4	0	(4)	50	0.0%	39	
--Exhibition Funds Secured	20	67	76	189	113	235	80.4%	122	
--Exhibition Funds To Be Raised	10	5	20	23	3	100	23.3%	0	
--Education Programs	8	25	49	67	19	284	23.7%	56	
--New deYoung Planning	44	7	160	86	(74)	542	15.8%	0	
--General	2	0	8	8	0	25	33.4%	115	
Subtotal Specified Funds	118	146	462	520	58	1,650	31.5%	459	
5) COFAM Investment Income	5	14	30	37	7	140	26.6%	32	
Subtotal Support	416	442	1,394	1,470	75	5,720	25.7%	1,615	

COFAM FY 1998-99 Operating Budget At October 31, 1998 (4 Months -- 33.3% Of The Budget Year)

$ in thousands

	(1) October		(2) 4-Months			(3)		(4)
	Original Budget	Actual	Original Budget	Actual	Variance to Y-T-D Budget	Budget	% Actual To Budget	Actual Prior Year At 4 Months
Revenue								
6) Museum Store Sales	384	319	738	722	(16)	3,763	19.2%	752
Less Discounts	(19)	(16)	(37)	(36)	1	(175)	20.8%	(33)
Less Cost of Goods	(195)	(164)	(379)	(382)	(2)	(1,875)	20.4%	(405)
Less Commissions and Royalties	(10)	(6)	(12)	(7)	5	(112)	6.3%	0
Gross Profit	159	133	309	297	(12)	1,601	18.5%	315
7) Facilities Rental Gross	88	97	195	228	33	644	35.3%	196
8) Benefits Gross Income	0	9	80	36	(44)	313	11.6%	126
9) General Admissions COFAM Net	151	181	476	512	37	1,490	34.4%	509
10) Food & Beverage Concession Fees	14	14	50	53	2	153	34.5%	57
11) Exhibition Program Earned Income	111	132	118	148	30	2,255	6.6%	188
14)FAM Membership Dues	228	242	827	934	108	2,850	32.8%	688
15) Conservation Services	29	23	87	79	(8)	352	22.5%	79
16) Miscellaneous								
--Development Trip Fees	0	0	1	7	6	213	3.4%	93
--Publication Sales Net	30	39	51	43	(8)	114	37.9%	44
--Other Fees	30	80	120	161	41	360	44.6%	116
Subtotal Revenue	840	950	2,315	2,499	184	10,345	24.2%	2,411
Total Support & Revenue	1,256	1,392	3,709	3,968	260	16,065	24.7%	4,026

See page 6

Museum Attendance

October 1998 80,908 visitors, 43.2% paid, budgeted - 65,000 visitors, 44.5% paid
Year to Date 235,637 visitors, 45.5% paid, budgeted - 230,000, 44.5% paid

Membership

Year to date 16,735 dues paid members averaging $55.98 per member
compared to budgeted goals of 15,080 dues paid members averaging $54.81 per member
Current active paying members = 47,657

$ in thousands

	(1) October		(2) 4-Months			(3)		(4)
	Original Budget	Actual	Original Budget	Actual	Variance to Y-T-D Budget	Budget	% Actual To Budget	Actual Prior Year At 4 Months
EXPENSES								
Personnel Expenses								
17) Curatorial								
Curatorial/Conservation/Education	182	176	774	755	(20)	2,369	31.9%	736
Project Funded/Term Employees	44	41	201	163	(38)	572	28.5%	124
Exhibit Group	64	64	270	260	(10)	839	31.0%	241
Exhibit Program Temporary Labor	19	21	113	70	(44)	381	18.3%	54
18) Development								
Development - General	40	49	169	171	2	517	33.1%	164
Membership	47	40	172	150	(22)	539	27.9%	159
19) Administration								
Administration General	92	94	394	414	20	1,199	34.6%	308
Media Relations & Advertising	22	21	92	90	(2)	282	31.9%	88
New deYoung Planning	15	13	63	56	(7)	192	29.0%	58
Operations Group	26	25	113	105	(8)	339	31.0%	100
Stores	60	45	161	156	(5)	573	27.3%	168
Facilities Rental	27	35	79	80	1	265	30.3%	62
Subtotal Personnel	637	623	2,602	2,470	(131)	8,066	30.6%	2,262

COFAM FY 1998-99 Operating Budget At October 31, 1998 (4 Months -- 33.3% Of The Budget Year)

$ in thousands	(1)		(2)			(3)		(4)
	October		4-Months					
	Original Budget	Actual	Original Budget	Actual	Variance to Y-T-D Budget	Budget	% Actual To Budget	Actual Prior Year At 4 Months
Other Expenses								
20) Curatorial								
Curatorial/Conservation/Education	64	61	202	136	(66)	753	18.0%	116
Publications	1	0	4	0	(4)	50	0.0%	37
Exhibit Group	11	4	40	42	2	136	30.7%	41
Exhibit Program	213	292	568	668	100	2,616	25.5%	323
21) Development								
Development - General	105	100	135	145	10	696	20.9%	168
Benefits	20	2	45	8	(37)	138	5.7%	26
Membership	99	33	258	238	(20)	483	49.3%	154
Magazine / Guide	20	5	49	27	(22)	265	10.4%	31
22) Administration								
Administration General	69	99	278	291	13	858	34.0%	261
Media Relations & Advertising	55	29	144	78	(66)	472	16.4%	124
New deYoung Planning	29	2	97	38	(59)	350	10.9%	115
Operations Group	50	49	189	182	(7)	607	30.1%	166
Stores	8	19	23	41	19	134	31.0%	30
Facilities Rental	2	4	5	8	3	20	38.4%	11
Subtotal Other Expenses	746	698	2,037	1,902	(135)	7,578	25.1%	1,602
Total Expenses	1,383	1,321	4,639	4,373	(266)	15,644	28.0%	3,864
SUPPORT & REVENUE OVER EXPENSES	(128)	71	(930)	(404)	526	421	-96.0%	162
COFAM SUPPORT OF BOND MEASURE CAMPAIGN								
SUPPORT & REVENUE OVER EXPENSES	(128)	71	(930)	(404)	526	421	-96.0%	162
LESS PLANT FUND DEPRECIATION	(25)	(25)	(100)	(100)	0	(300)	33.3%	(100)
	(153)	46	(1,030)	(504)	526	121	-416.7%	62

Appendix A - Annual Contributions Report -- Month Ending October 31, 1998 (33.3% Of The Budget Year)
$ in thousands

(1)	(2)			(3)				(4)	
Contribution Categories	September 1998 Actuals	Budget	Sept. 1997 Actuals	Year To Date Budget	Actuals	Variance to Y-T-D Budget	Prior Year Actuals	Current Year Annual Goals	Current Year % of Annual Goals Achieved
1) Associates ($5,000 and up)	30	75	79	245	233	(12)	259	1,500	15.5%
2) Patrons ($2,500 - $5,000)	8	8	5	25	28	3	25	100	27.6%
3) Friends ($1,000 - $2,500)	23	25	21	81	115	34	83	450	25.6%
4) National Council/Other	4	3	3	13	23	10	10	55	42.0%
5) Mail Drive	0	0	37	30	31	1	54	150	20.5%
6) Phone Campaign	0	0	0	0	0	0	10	150	0.0%
7) Business	2	20	7	67	32	(35)	62	150	21.1%
8) Foundations	24	10	0	16	25	9	16	100	25.5%
	90	141	152	477	487	10	519	2,655	18.3%

Appendix "B" -- Stores Report: 4 Months Ended October 31,1998
$ in thousands

	In House Merchandising				Outside Merchandising	
	(1) deYoung Store		(2) Legion Store		(3) Wholesale & Royalties	
	Budget	Actual	Budget	Actual	Budget	Actual
Sales	204	203	266	339	31	41
Discounts	(12)	(15)	(13)	(16)		
Cost of Goods	(104)	(109)	(138)	(179)	(18)	(19)
Commissions & Royalties	0	0	0	0	(3)	(1)
Gross Profit	88	79	114	145	10	20
Personnel Expenses	57	75	67	62	10	10
Other Expenses	13	31	4	4	1	0
Total Expenses	69	106	71	67	12	10
Gross Profit Over Expens	18	(27)	43	78	(2)	9
Variance to Year To Date		(46)		35		11

	Exhibition Merchandising					
	(4) Picasso Store		(5) Impressionist Store		(6) Grand Totals	
	Budget	Actual	Budget	Actual	Budget	Actual
Sales	239	139	0	0	738	722
Discounts	(12)	(6)	0	0	(37)	(36)
Cost of Goods	(119)	(75)	0	0	(379)	(382)
Commissions	(10)	(6)	0	0	(12)	(7)
Gross Profit	98	54	0	0	309	297
Personnel Expenses	27	8	0	0	161	156
Other Expenses	5	6	0	0	23	41
Total Expenses	32	15	0	0	184	198
Gross Profit Over Expens	66	39	0	0	125	99
Variance to Year To Date		(27)		0		(27)

Appendix "C" – Exhibition Program FY 1998-99

		v e n u e	(1) Runs		(2) Cost		(3) Gifts and Grants			(4) Income		(5) Nets	
					Original	Revised	Original	Revised		Original	Revised	Original	Revised
	In-House Exhibitions												
22	Bouquets to Art	L	01-Mar-98	01-Mar-98	-							0	0
23	Textile Rotation	D	27-Mar-99	31-Oct-99	7,625							(7,625)	0
24	Achenbach (36/37 TBA)	D	10-Apr-99	04-Jul-99	10,600							(10,600)	0
25	AOA rotation	D	15-Apr-99	ongoing	3,000							(3,000)	0
26	American Hall Cases	D	01-Apr-98	ongoing	6,550							(6,550)	0
27	A la Pintura: Motherwell (Anderson gallery 5)	L	01-May-99	25-Jul-99	15,050							(15,050)	0
28	Youth Arts Festival	D	05-May-99	09-May-99	-							0	0
29	Francis Bacon	L	13-Jun-99	02-Aug-99	205,541							(205,541)	0
30	Saxe Collection	D	26-Jun-99	17-Oct-99	67,305		67,305		Root			0	0
31	Grants and Gifts To Be Raised						100,000					100,000	0
			Subtotal In-House Exhibits		2,977,598	-	334,877		-	2,212,168	-	(430,553)	0
	FAM Travelling Exhibitions												
32	Crown Point Press (142)		01-Jul-98		2,500					8,300		5,800	0
34	If the Shoe Fits		01-Dec-98									0	0
35	Ancient Glass from the Holy Land		01-Nov-98		16,663					35,000		18,337	0
	Subtotal Traveling Tours				19,163	0	0	0		43,300	0	24,137	0
	Total In House and Traveling Exhibitions				2,996,761	0	334,877	0		2,255,468	0	(406,416)	0
			Temporary Exhibition Personnel Costs =			380,656							
			Other Expense		=	2,616,105							
						2,996,761							

ASSETS	
Cash	515
Cash Equivalents	2,883
Accounts Receivable	3,427
Prepaid Expenses	362
Note Receivable	100
Inventory - Store	1,159
Inventory - Publications	469
Investment in Bonds	839
Furniture & Equipment (Net)	398
	10,152

LIABILITIES & FUND BALANCES	
Accounts Payable	950
Other Accrued Liabilities	3,425
Deferred Income - Restricted	2,223
Deferred Income - Unrestricted	3,434
Fund Balances	
Unrestricted Fund	2,856
Plant Fund	(2,174)
Revenues over Expenses (Note 2)	(562)
	10,152

COFAM Reserve At 10/31/98 1,066

Note 1 -- Reserve Formula

Cash & Cash Equivalents	3,398
Bonds	839
Accounts Receivable	3,427
Less Accounts Payable	(950)
Less Other Accrued Liabilities	(3,425)
Less Deferred Income - Restricted	(2,223)
	1,066

Note 2 -- Revenues over Expenses

Operating Revenue over Expenses	(404)
Less Plant Fund	(177)
Plus Restricted Funds	19
Less Airport Fund	0
Surplus / (Deficit)	(562)

ASSETS		LIABILITIES & FUND BALANCES	
Cash	279	Accounts Payable	499
Cash Equivalents	2,829	Other Accrued Liabilities	3,476
Accounts Receivable	3,311	Deferred Income - Restricted	2,292
Prepaid Expenses	358	Deferred Income - Unrestricted	3,150
Note Receivable	100	Fund Balances	0
Inventory - Store	857	Unrestricted Fund	2,856
Inventory - Publications	468	Plant Fund	(2,174)
Investment in Bonds	890	Revenues over Expenses	(584)
Furniture & Equipment (Net)	423	(Note 2)	
	9,515		9,515

COFAM Reserve At 9/30/98 1,042

Note 1 -- Reserve Formula

Cash & Cash Equivalents	3,108
Bonds	890
Accounts Receivable	3,311
Less Accounts Payable	(499)
Less Other Accrued Liabilities	(3,476)
Less Deferred Income - Restricted	(2,292)
	1,042

Note 2 -- Revenues over Expenses

Operating Revenue over Expenses	(476)
Less Plant Fund	(134)
Plus Restricted Funds	26
Less Airport Fund	0
Surplus / (Deficit)	(584)

RECEIVED
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DIRECTORS OFFICE

November 16, 1998

To: Harry S. Parker III
From: Kay Forster

RE: The Fine Arts Museums Auxiliary

As a courtesy to the suburban auxiliaries, we are planning to change the title of our auxiliary from The Fine Arts Museums Auxiliary to the San Francisco Auxiliary of the Fine Arts Museums [of San Francisco]. It becomes rather a mouthful with San Francisco in twice so I would hope we could assume that it is [of San Francisco] without putting that in every time. At least the name is not going on a commercial product to be sold throughout the world. For events it could be listed

The Fine Arts Museums of San Francisco
Ross Auxiliary
East Bay Auxiliary
San Francisco Auxiliary

It is not a problem for us but is very important to the auxiliaries that we not present ourselves as **the** auxiliary.

A vote will be taken on the by-laws change at our November 23 meeting. If passed, I will send the notification to Judy Gough for approval by the Executive Committee of the Board of Trustees.

Unless I hear to the contrary, I will assume this meets with your approval.

Kay

-- over --

FINE ARTS MUSEUMS of SAN FRANCISCO

Fine Arts Museums Auxiliary
California Palace of the Legion of Honor
M.H. de Young Memorial Museum

The next meeting of the San Francisco Auxiliary (third of eight) is Monday, November 23 at 10 am; coffee & chat at 9:30. It will be at the Legion of Honor, Trustees Dining Room. After the business meeting, Lynn Orr will tell us about her exhibition "Impressionists in Winter: Effets de Neige" and the challenges of putting on a show at Yerba Buena Center for the Arts.

The following is a proposal of amendments to our Operating Guideline which will be voted on at the November meeting. Guidelines may be amended by a majority of the Auxiliary members present.

Article I
"name: The name of this organization shall be the Fine Arts Museums Auxiliary."
change to read
The name of this organization shall be the San Francisco Auxiliary of the Fine Arts Museums.

Article II
Section 1 (a) "The membership of the Fine Arts Museums Auxiliary"
change to read The membership of the San Francisco Auxiliary of the Fine Arts Museums

Our stationary would be changed if the vote is affirmative. The change would especially be welcomed by the other Auxiliaries.

Section 2Classification of membership shall be as follows:
"(a) An Active member is a dues-paying member of the Fine Arts Museums who fulfills meeting attendance, financial support, and volunteer work requirements."
change to read
An active member is a dues-paying member of the Fine Arts Museums who fulfills meeting attendance, financial support including payment of annual Auxiliary dues and volunteer work requirements.

Section 4 Election to Membership
a) New members shall be proposed each year by October 1st in a manner prescribed by the Membership Committee."
change to read
New members shall be proposed each year by November 1 in a manner prescribed by the membership committee.

The vote on the amount of dues will be taken separately. The Executive Committee has recommended $50, this year payable by December 31. As pointed out at our September meeting, we-with our non-profit status, must have our own account for programs, etc.

SF Fine Arts Museums

. 254

10/98

CORPORATION OF THE FINE ARTS MUSEUMS

Executive Committee
Board of Trustees

December 10, 1998

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Call to Order

A meeting of the Executive Committee of the Board of Trustees of the Corporation of The Fine Arts Museums was held on Thursday, December 10, 1998, in the 6th Floor Conference Room of the Museums' Administrative Offices at 233 Post Street, San Francisco. A quorum being present, the meeting was called to order at 1:31 p.m. by Mrs. Alfred S. Wilsey, President. President Wilsey presided; Mrs. Gough acted as Secretary.

Roll Call

Present:

Alvin H. Baum, Jr.
Mrs. Ray Dolby, Vice President/Annual Support
Richard P. Essey
Richard P. Finn, Vice President/Finance
Ms. Frankie Jacobs Gillette, Vice President/Civic Affairs
J. Burgess Jamieson
David M. Jamison, Vice President/Audience Development
J. Alec Merriam, Vice President/Collections
Michael E. O'Neill
Steven MacGregor Read, Vice President/Facilities
Mrs. Alfred S. Wilsey, Chairman
Frank Montgomery Woods

Excused:

Charles Crocker
Nion McEvoy

Other Trustee in Attendance:

Mrs. Ransom S. Cook

The following non-voting officers were present:

Harry S. Parker III, Chief Executive Officer
Steve Dykes, Treasurer
Judy Gough, Secretary

Report of the President - Mrs. Alfred S. Wilsey

A. Consideration and Possible Action to Approve the Minutes of the October 15, 1998 Meeting of the Board of Trustees

The minutes of the October 15, 1998 meeting of the Board of Trustees, having been mailed in advance to all Trustees, were unanimously approved.

B. Report on Campaign 2000, Phase II, To Build a New de Young Museum

President Wilsey reported that Campaign 2000, Phase II, continues to move forward with over $50 million in pledges to date. The $50 million represents the Board of Trustees' commitment and determination to begin building a new de Young Museum with private funds as soon as possible. At this point in time, efforts continue to focus on raising private funds with a sense that a third general obligation bond measure in the future appears doubtful. President Wilsey advised that letters have recently been mailed to Trustees requesting that they renew or increase their original pledges to build a new de Young Museum.

C. Report of the Architect Selection Committee

A Request for Qualifications and Proposal to Develop a Conceptual Design Plan for a new de Young Museum, was mailed to approximately fifty architectural candidates in late October. Representatives from twenty-five architectural firms around the world attended a mandatory site meeting at the de Young Museum on November 9th. Sixteen firms then submitted their qualifications for consideration. A technical advisory group will review the submitted qualifications for report to the Architect Selection Committee. The Architect Selection Committee will narrow the field of candidates, and the final candidates will be requested to interview with the Committee in early January 1999. President Wilsey stated the Committee's intention to recommend a final candidate to the Board of Trustees at its January 14, 1999 meeting and to have a conceptual plan of a new de Young Museum submitted for approval at the June 10, 1999 meeting of the Board of Trustees.

Chief Executive Officer's Report - Harry S. Parker III

A. Report on COFAM Operating Budget as of October 31, 1998

Mr. Parker asked Steve Dykes, Deputy Director for Administration and Finance, to present the Operating Budget Report as of October 31, 1998. Cumulative four month operating results were ($404) – about $526,000 better than budget, owing to stronger resources and lower expenses than anticipated. The reserve was $1.1 million, an improvement over the $700,000 forecast, due to the substantial front end costs of the *Picasso* and *Impressionists* exhibitions. Board policy is to maintain a $2 million reserve, and the budget plan is to achieve this goal by the end of the fiscal year (June 30, 1999).

Total resources were up $250,000. Annual contributions were basically on track; exhibition grant income was better than budget. Membership dues, exhibit earned income and general admission fees led revenue gains. Membership totaled 47,657 on October 31, 1998. Overall store sales were good through October, but the *Picasso* store will not hit the overly ambitious target of $6 sales per visitor, compared to $3.67 actual. It was suggested that *www.thinker.org* be utilized to market items sold in the Museum stores. All other aspects of the *Picasso* exhibition are either meeting or surpassing expectations.

Personnal expenses trailed budget, as did other costs for a total expense underage of $260,000.

Staff is preparing a mid-year rolling forecast for the Budget Committee. On the whole, the first half of the year has gone well. However, the success of the upcoming *Impressionists* and *Victoria and Albert* shows will be essential to close the year in the black.

B. Consideration and Possible Action to Adopt a Resolution Extending the Repayment of the Loan of the Osher Sculpture Garden Fund for the Seismic Bracing Project at the de Young Museum

Mr. Parker explained that the loan of $2,733,359 (principal and interest at June 30, 30, 1998) from the Osher Sculpture Garden Fund for the seismic bracing of the de Young Museum was to be repaid from proceeds from the general obligation bond (Proposition B or Proposition A), which failed to pass. It is prudent at this time to settle the Osher Sculpture Garden loan. Mr. Parker advised that Honorary Trustee Bernard Osher has generously extended the term of the loan in the past, and has, once again, agreed to another one year extension to December 31, 1999. Mr. Parker presented the following resolution for the record:

B. **Consideration and Possible Action to Adopt a Resolution Extending the Repayment of the Loan of the Osher Sculpture Garden Fund for the Seismic Bracing Project at the de Young Museum (continued)**

WHEREAS, In December 1990, The Bernard Osher Foundation made a restricted gift to the Corporation of The Fine Arts Museums (COFAM) to build a sculpture garden at the M. H. de Young Memorial Museum; and

WHEREAS, The Osher Foundation agreed in June 1993 to allow a loan of the sculpture garden funds to pay for temporary seismic improvements to prevent the de Young Museum from collapsing in the event of a major earthquake; and

WHEREAS, The loan obligation of principal and interest was $2,733,359 at June 30, 1998; and

WHEREAS, The COFAM Board of Trustees had hoped to pay off the loan from proceeds from a City of San Francisco general obligation bond sale to build a new de Young Museum; and

WHEREAS, Neither the November 1996 or the June 1998 general obligation bond measures were approved; and

WHEREAS, The term of the loan, which was to expire on December 31, 1997, was generously extended by Trustee Osher to December 31, 1998; now, therefore, be it

RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museums does hereby authorize its President and Chief Executive Officer to take all necessary actions to extend the loan to at least December 31, 1999; and, be it

FURTHER RESOLVED, That the COFAM Board of Trustees expresses its gratitude to Bernard Osher and the Osher Sculpture Garden Fund for providing the funds for the de Young Museum temporary seismic repairs in order to keep the Museum open to the public.

On motion, duly seconded, the above resolution was unanimously adopted as **Board Resolution 221.**

C. Consideration and Possible Action to Approve a Change in Name for The Fine Arts Museums Auxiliary to the San Francisco Auxiliary of the Fine Arts Museums

As a courtesy to the suburban auxiliaries, The Fine Arts Museums Auxiliary has requested a change in name from The Fine Arts Museums Auxiliary to the San Francisco Auxiliary of the Fine Arts Museums (of San Francisco). On motion, duly seconded, the Executive Committee voted unanimously to approve a change in name for The Fine Arts Museums Auxiliary to the San Francisco Auxiliary of the Fine Arts Museums (of San Francisco).

D. Consideration and Possible Action to Adopt a Resolution Authorizing Bank Account Signatures

WHEREAS, In October 1987, in accordance with Board Resolution Number 4, the Corporation of The Fine Arts Museums established a bank account with Wells Fargo Bank, N.A. ("Wells Fargo") at the 5455 Geary Boulevard Branch, San Francisco; and

WHEREAS, From time to time, the bank account signers are changed by resolution (33, 91, 121 and 172); now, therefore, be it

RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museums (COFAM) does hereby authorize that any one of the following nine persons may sign checks or other instruments withdrawing funds from the account for $1,000 or less; that the signatures of two of the following nine are needed for checks or other instruments between $1,001 up to and including $10,000; and that for checks and other instruments over $10,000, one signatory of numbers 1-5 and one signatory of numbers 6-9 is required:

1) Harry S. Parker III, Chief Executive Officer
2) Stephen E. Dykes, Treasurer
3) Michele Gutierrez, Fiscal Officer for the Foundation
4) Barbara Boucke, Deputy Director for Development
5) Robert M. Cullison, Controller
6) Diane B. Wilsey, President
7) Charles Crocker, Trustee
8) Richard H. Finn, Vice President/Finance
9) Lorna F. Meyer, Trustee; and be it

FURTHER RESOLVED, That the authorized check signer cannot be the sole signature on a check or other instrument paying an invoice he or she has previously authorized for payment; and be it

D. Consideration and Possible Action to Adopt a Resolution Authorizing Bank Account Signatures (continued)

FURTHER RESOLVED, That Resolution Number 4 remains in full force except the names of the check signers have changed and be it

FURTHER RESOLVED, That Resolution Number 172 (Bank Account Signers) is hereby rescinded.

On motion, duly seconded, the above resolution was unanimously adopted as **Board Resolution 222.**

E. Report of ArtPoint *Picasso and the War Years* Event - Jeanne Torre, Chair

Jeanne Torre, Chair of ArtPoint, presented the appended report of 1998 ArtPoint Highlights. ArtPoint, formerly known as the Junior Arts Council, is a supporting organization of the Fine Arts Museums of San Francisco. During the past year, membership has grown from 275 to 675 members, and eight successful events were held, including a *Picasso and the War Years* Preview Party attended by 1,500 people, which resulted in a net profit of $33,000. ArtPoint will become a major sponsor of the exhibition, *Francis Bacon: A Retrospective*, which will be exhibited at the Legion of Honor from June 13 to August 2, 1999.

Ms. Torre was thanked for her report, and appreciation was extended to both Ms. Torre and Reese Willis, former ArtPoint Chair, for their organization's efforts on behalf of the Fine Arts Museums.

Report of the Annual Support Committee - Mrs. Ray Dolby, Chair and Vice President

Trustee Dolby reported that through October 31, 1998 annual contributions exceeded budget by $10,000. A number of successful cultivation events were held in conjunction with the *Picasso and the War Years* exhibition. Every effort is being made at year end to increase annual contributions as a means of achieving the $2,655,000 annual fund raising goal for FY 1998-99. Gina Tan, Director of Membership and Annual Fund, announced that new memberships are averaging approximately 210 per week during the *Picasso* exhibit.

Report of the Fine Arts Museums Foundation - Harry S. Parker III, Executive Director, for Charles Crocker, President

In the absence of Trustee Crocker, Mr. Parker presented the Endowment Fund Report. At the close of business on December 4, 1998, the Endowment Fund portfolio was valued at $62,089,869. It was invested 56.29% in equities, 41.44% in fixed income, and 2.27% in cash and cash equivalents.

Adjournment - Mrs. Alfred S. Wilsey, President

There being no further business, the meeting was adjourned at 1:50 p.m.

Respectfully submitted,

Judy Gough
Executive Secretary
Museums

ArtPoint

HOTLINE: 415 750 76
www.artpoint.

To: Executive Committee, Board of Trustees

From: Jeanne Torre, ArtPoint Chair

Date: December 7, 1998

Subject: **1998 ArtPoint Highlights**

- ArtPoint, formerly known as the Junior Arts Council, became a new membership category of the Fine Arts Museums of San Francisco and officially changed its name.
- 675 members compared to 275 members in 1997. Since the membership structure was changed in July 1, 1998 (enabling members at all levels to join ArtPoint for an additional fee of $25 per person or $50 per couple), 10% of the total members now include contributing, donor and sponsor members. The demographics of this group includes members living within 9 counties in the San Francisco Bay Area.
- On the World Wide Web at http://www.artpoint.org and linked to www.thinker.org since 1996.
- Produced 8 successful events. An aggressive Event Calendar has been planned through June 2000.
- Picasso Preview Party held October 9 - approximately 1500 people attended the event, included a silent auction with over 60 items resulting in a net profit of $33,000.
- ArtPoint will become a major sponsor of *Francis Bacon: A Retrospective Exhibition* scheduled to open June 1999 with a contribution of $30,000 from the Picasso profits.
- ArtPoint continues the fine traditions of the past, bringing new ideas and vitality to the group's ongoing events and activities. ArtPoint members receive all Fine Arts Museums membership benefits as well as private invitations to all ArtPoint events, *Gallery 23* ArtPoint's quarterly newsletters, special members-only events where members may bring a guest, and discounts on all events.

Mission Statement:

- ArtPoint is a membership category and volunteer organization of the Fine Arts Museums of San Francisco.
- ArtPoint is dedicated to promoting awareness, interest and long-term commitment at the California Palace of the Legion of Honor in Lincoln Park and the M. H. de Young Museum in Golden Gate Park.
- The primary purpose of ArtPoint is to involve young professionals to be active members and supporters of the Museums.
- ArtPoint encourages the understanding and appreciation of the fine arts and the arts community.
- ArtPoint emphasizes educational, social and networking activities.

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FINE ARTS MUSEUMS of SAN FRANCISCO

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Board of Trustees
California Palace of the Legion of Honor
M.H. de Young Memorial Museum

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OFFICIAL MEETING NOTICE

Corporation of The Fine Arts Museums
Executive Committee of the Board of Trustees

Thursday, February 11, 1999
12:30 P.M.[1]
Administrative Offices
233 Post Street, 6th Floor Conference Room
San Francisco, California

AGENDA

I. Call to Order - Mrs. Alfred S. Wilsey, President

II. Calling of the Roll

Trustees:

Alvin H. Baum, Jr.
Charles Crocker
Mrs. Ray Dolby, Vice President/Annual Support
Richard P. Essey
Richard H. Finn, Vice President/Finance
Ms. Frankie Jacobs Gillette, Vice President/Civic Affairs
J. Burgess Jamieson
David M. Jamison, Vice President/Audience Development
J. Alec Merriam, Vice President/Collections
Nion T. McEvoy
Michael E. O'Neill
Steven MacGregor Read, Vice President/Facillities
Mrs. Alfred S. Wilsey, President
Frank Montgomery Woods

[1]Or such earlier time as the meeting of the Executive Committee of the Board of Trustees of the Fine Arts Museums of San Francisco ends, but in no event before 12:30 p.m.

III. Report of the President - Mrs. Alfred S. Wilsey

A. Consideration and Possible Action to Approve the Minutes of the January 14, 1999 Meeting of the Board of Trustees (See Appendix A) Filed under Fine Arts Museums Minutes

B. Report on Campaign 2000, Phase II, To Build a New de Young Museum

C. Report on the Conceptual Planning for a New de Young Museum

D. Other Informational Items

IV. Report of the Chief Executive Officer - Harry S. Parker III

A. Report on COFAM Operating Budget as of December 31, 1998 (See Appendix B)

B. Other Informational Items

V. Report of the Budget Committee - Steve Dykes, Treasurer, for Richard H. Finn, Chair and Vice President of Finance

VI. Report of the Annual Support Committee - Barbara Boucke, Director for Development, for Mrs. Ray Dolby, Chair and Vice President

VII. Report of the Fine Arts Museums Foundation - Charles Crocker, President

VIII. Adjournment - Mrs. Alfred S. Wilsey, President

III. Report of the President - Mrs. Alfred S. Wilsey

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VII. Report of the Fine Arts Museums Foundation - Charles Crocker, President

VIII. Adjournment - Mrs. Alfred S. Wilsey, President

COFAM Operating Budget Report
Month Ended 31 December 1998

Overview

Cumulative six month operating results were $593k – some $717k better than budget, owing to year end annual contributions, the strong wind up of the *Picasso* exhibit, and personnel and other expenses running $550k less than expected. These factors translated into a gain in balance sheet cash, pushing up the reserve to $2,041k – an increase of $720k from November. Board policy is to maintain a $2m reserve.

This budget report includes a mid-year rolling forecast, which predicts a slightly more positive year end result than the original budget adopted eight months ago. The rolling forecast was reviewed in detail by the Budget Committee.

Highlights

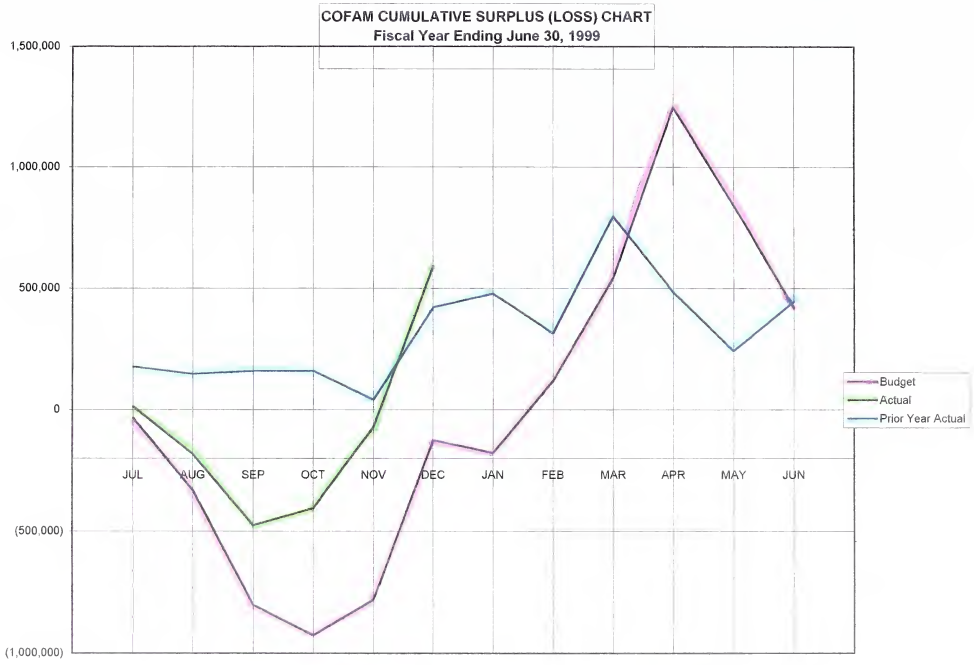
Total resources were up $167k. Support ran $55k ahead of budget due to bigger draw downs of restricted grants and gifts than budgeted. On the revenue side, general admissions, exhibit earned income and member dues continued to beat budget projections by $112k, largely on the strength of *Picasso.*

Personnel expenses trailed budget by $167k. Other costs were down $550k due to expenses incurred slower than planned. However, most expense areas will catch up to budget during this winter / spring.

In sum, the first half of the year went much better than expected. But the success of the *Impressionists* and *V&A* shows will be essential to achieve a balanced budget at year end.

COFAM Operating Budget Report for the Month Ended 31 December 1998

	Page
Cumulative Surplus (Loss) Chart	i
Budget-In-Brief	1
Annual Contributions – Appendix "A"	5
Stores Report – Appendix "B"	6
Exhibition Program – Appendix "C"	7
Balance Sheets	9


COFAM CUMULATIVE SURPLUS (LOSS) CHART
Fiscal Year Ending June 30, 1999
1,500,000
1,000,000
500,000
0
(500,000)
(1,000,000)
JUL
AUG
SEP
OCT
NOV
DEC
JAN
FEB
MAR
APR
MAY
JUN
Budget
Actual
Prior Year Actual

COFAM FY 1998-99 Operating Budget At December 31, 1998 (6 Months -- 50% Of The Budget Year)

$ in thousands	(1)		(2)			(3)				
	December		6-Months							
	Original Budget	Actual	Original Budget	Actual	Variance to Y-T-D Budget	Original Budget	Rolling Forecast 1/14/99	Variance to Original Budget	% Actual To Rolling Forecast	
SUPPORT & REVENUE										
Support										
1) Annual Contributions	550	560	1,232	1,234	3	2,655	2,655	0	46.5%	See page 5
2) Bequests and Major Unrestricted Gifts	0	0	0	0	0	0	0	0	0.0%	
3) Foundation Endowment Support	106	106	638	638	0	1,275	1,275	0	50.0%	
4) Specified Funds										
--Curatorial/Conservation	34	36	212	241	29	414	447	33	54.0%	
--Publications	1	0	6	20	14	50	70	20	28.6%	
--Exhibitions	35	9	166	227	61	335	487	152	46.7%	
--Education Programs	59	62	116	139	24	284	423	139	32.9%	
--New deYoung Planning	44	15	248	124	(123)	542	542	0	23.0%	
--General	2	42	13	60	48	25	70	45	86.3%	
Subtotal Specified Funds	175	164	760	813	52	1,650	2,039	389	39.9%	
5) COFAM Investment Income	24	19	60	60	(0)	140	140	0	42.6%	
Subtotal Support	856	850	2,689	2,744	55	5,720	6,109	389	44.9%	

COFAM FY 1998-99 Operating Budget At December 31, 1998 (6 Months -- 50% Of The Budget Year)

$ in thousands

	(1) December		(2) 6-Months			(3)				
	Original Budget	Actual	Original Budget	Actual	Variance to Y-T-D Budget	Original Budget	Rolling Forecast 1/14/99	Variance to Original Budget	% Actual To Rolling Forecast	
Revenue										See page 6.
6) Museum Store Sales	498	387	1,695	1,459	(236)	3,763	3,399	(364)	42.9%	
Less Discounts	(25)	(22)	(85)	(74)	11	(175)	(157)	18	47.0%	
Less Cost of Goods	(253)	(203)	(865)	(773)	93	(1,875)	(1,693)	182	45.6%	
Less Commissions and Royalties	(14)	(9)	(39)	(26)	13	(112)	(97)	15	26.8%	
Gross Profit	206	154	706	587	(119)	1,601	1,452	(149)	40.4%	
7) Facilities Rental Gross	90	90	369	374	5	644	644	0	58.1%	
8) Benefits Gross Income	40	0	120	37	(83)	313	69	(244)	53.5%	
9) General Admissions COFAM Net	187	212	833	947	114	1,490	1,604	114	59.0%	
10) Food & Beverage Concession Fees	16	16	82	95	14	153	153	0	62.2%	
11) Exhibition Program Earned Income	160	233	473	591	118	2,255	2,315	60	25.5%	See pages 7 and 8
14)FAM Membership Dues	285	286	1,368	1,432	64	2,850	2,850	0	50.2%	
15) Conservation Services	31	10	137	99	(38)	352	352	0	28.2%	
16) Miscellaneous										
--Development Trip Fees	24	5	25	12	(13)	213	213	0	5.5%	
--Publication Sales Net	15	27	81	95	14	114	114	0	83.2%	
--Other Fees	30	39	180	217	37	360	452	92	48.1%	
Subtotal Revenue	1,084	1,071	4,374	4,486	112	10,345	10,217	(128)	43.9%	
Total Support & Revenue	1,939	1,921	7,064	7,231	167	16,065	16,326	261	44.3%	

Museum Attendance

December 1998: 92,366 visitors, 43.3% paid, budgeted - 73,000 visitors, 44.5% paid
Year to Date: 426,747 visitors, 44.3% paid, budgeted - 374,000, 44.5% paid

Membership

Year to date: 25,549 dues paid members averaging $56.05 per member
compared to budgeted goals of 24,960 dues paid members averaging $54.81 per member.
Current active paying members = 49,956

COFAM FY 1998-99 Operating Budget At December 31, 1998 (6 Months -- 50% Of The Budget Year)

$ in thousands	(1) December		(2) 6-Months			(3)			
	Original Budget	Actual	Original Budget	Actual	Variance to Y-T-D Budget	Original Budget	Rolling Forecast 1/14/99	Variance to Original Budget	% Actual To Rolling Forecast
EXPENSES									
Personnel Expenses									
17) Curatorial									
Curatorial/Conservation/Education	181	178	1,139	1,096	(43)	2,369	2,357	(12)	46.5%
Project Funded Employees	44	39	295	264	(32)	572	577	5	45.7%
Exhibit Group	64	68	399	392	(7)	839	848	9	46.2%
Exhibit Program Temporary Labor	45	24	179	126	(52)	381	409	28	30.9%
18) Development									
Development - General	40	37	248	254	6	517	501	(16)	50.7%
Membership	42	42	258	233	(25)	539	503	(36)	46.3%
19) Administration									
Administration General	92	90	578	599	21	1,199	1,276	77	47.0%
Media Relations & Advertising	22	21	135	132	(3)	282	280	(2)	47.2%
New deYoung Planning	15	13	92	82	(11)	192	192	0	42.6%
Operations Group	26	25	165	154	(11)	339	337	(2)	45.8%
Stores	45	47	259	251	(8)	573	526	(47)	47.7%
Facilities Rental	33	24	144	140	(4)	265	265	0	52.8%
Subtotal Personnel	649	608	3,891	3,724	(167)	8,066	8,070	4	46.1%

COFAM FY 1998-99 Operating Budget At December 31, 1998 (6 Months -- 50% Of The Budget Year)

$ in thousands	(1) December Original Budget	December Actual	(2) 6-Months Original Budget	6-Months Actual	Variance to Y-T-D Budget	(3) Original Budget	Rolling Forecast 1/14/99	Variance to Original Budget	% Actual To Rolling Forecast
Other Expenses									
20) Curatorial									
Curatorial/Conservation/Education	61	30	326	223	(102)	753	866	113	25.8%
Publications	1	(20)	6	1	(5)	50	50	0	2.6%
Exhibit Group	11	6	62	51	(12)	136	141	5	35.8%
Exhibit Program	195	262	950	897	(53)	2,616	2,641	25	33.9%
21) Development									
Development - General	32	81	227	272	45	696	756	60	36.0%
Benefits	0	0	45	8	(37)	138	11	(127)	73.0%
Membership	42	53	383	360	(23)	483	483	0	74.5%
Magazine / Guide	79	9	143	52	(90)	265	265	0	19.8%
22) Administration									
Administration General	69	104	416	482	65	858	887	29	54.3%
Media Relations & Advertising	45	51	245	161	(83)	472	483	11	33.3%
New deYoung Planning	29	1	156	42	(113)	350	350	0	12.0%
Operations Group	51	55	291	282	(9)	607	602	(5)	46.8%
Stores	11	14	40	69	30	134	134	0	51.8%
Facilities Rental	2	3	9	13	5	20	20	0	65.4%
Subtotal Other Expenses	628	649	3,297	2,914	(383)	7,578	7,689	111	37.9%
Total Expenses	1,277	1,257	7,188	6,638	(550)	15,644	15,759	115	42.1%
SUPPORT & REVENUE OVER EXPENSES	662	664	(124)	593	717	421	567	146	104.6%
COFAM SUPPORT OF BOND MEASURE CAMPAIGN									
SUPPORT & REVENUE OVER EXPENSES	662	664	(124)	593	717	421	567	146	
LESS PLANT FUND DEPRECIATION	(25)	(25)	(150)	(150)	0	(300)	(390)	(90)	
	637	639	(274)	443	717	121	177	56	

Appendix A - Annual Contributions Report -- Month Ending December 31, 1998 (50% Of The Budget Year)
$ in thousands

(1)	(2)			(3)				(4)	
Contribution Categories	December 1998 Actuals	Budget	Dec. 1997 Actuals	Year To Date Budget	Actuals	Variance to Y-T-D Budget	Prior Year Actuals	Current Year Annual Goals	Current Year % of Annual Goals Achieved
1) Associates ($5,000 and up)	369	375	377	720	673	(47)	731	1,500	44.9%
2) Patrons ($2,500 - $5,000)	38	25	22	58	71	13	54	100	70.6%
3) Friends ($1,000 - $2,500)	97	70	68	186	235	49	186	450	52.3%
4) National Council/Other	7	15	16	30	35	5	27	55	63.3%
5) Mail Drive	28	40	46	100	107	7	105	150	71.3%
6) Phone Campaign	0	0	0	0	0	0	10	150	0.0%
7) Business	17	15	1	87	56	(31)	63	150	37.2%
8) Foundations	4	10	5	51	58	7	50	100	57.5%
	560	550	534	1,232	1,234	3	1,226	2,655	46.5%

Appendix "B" -- Stores Report: 6 Months Ended December 31,1998
$ in thousands

	In House Merchandising				Outside Merchandising	
	(1) deYoung Store		(2) Legion Store		(3) Wholesale & Royalties	
	Budget	Actual	Budget	Actual	Budget	Actual
Sales	283	345	492	512	48	41
Discounts	(17)	(27)	(25)	(28)		
Cost of Goods	(144)	(182)	(256)	(271)	(29)	(19)
Commissions & Royalties	0	0	0	0	(4)	(1)
Gross Profit	122	137	212	213	15	20
Personnel Expenses	102	69	97	94	15	14
Other Expenses	20	50	6	7	2	0
Total Expenses	122	119	103	100	17	14
Gross Profit Over Expenses	(0)	18	108	113	(2)	6
Variance to Year To Date		18		5		8

	Exhibition Merchandising					
	(4) Picasso Store		(5) Impressionist Store		(6) Grand Totals	
	Budget	Actual	Budget	Actual	Budget	Actual
Sales	872	561	0	0	1,695	1,459
Discounts	(44)	(20)	0	0	(85)	(74)
Cost of Goods	(436)	(300)	0	0	(865)	(773)
Commissions	(35)	(25)	0	0	(39)	(26)
Gross Profit	358	217	0	0	706	587
Personnel Expenses	44	74	0	0	259	251
Other Expenses	7	12	5	1	40	69
Total Expenses	51	86	5	1	298	321
Gross Profit Over Expenses	307	131	(5)	(1)	408	266
Variance to Year To Date		(176)		4		(142)

		v e n u e	(1) Runs		(2) Cost		(3) Gifts and Grants			(4) Income		(5) Nets	
					Original	Revised	Original	Revised		Original	Revised	Original	Revised
	In-House Exhibitions												
1	Achenbach 50th Anniversary (123)	L	18-Apr-98	05-Jul-98	1,800	1,800						(1,800)	(1,800)
2	Ancient Glass from the Holy Land (159)	D	02-May-98	16-Aug-98	27,005	27,005						(27,005)	(27,005)
3	Contemporary Screenprints: Anderson	L	09-May-98	23-Aug-98	-	-						0	0
4	Stanley Spencer (133)	L	06-Jun-98	06-Sep-98	33,390	33,390						(33,390)	(33,390)
5	John Steuart Curry (127)	D	13-Jun-98	30-Aug-98	30,832	30,832	30,832	30,832	Root			0	0
6	George Fitch Collection	D	13-Jun-98	06-Sep-98	3,300	3,300						(3,300)	(3,300)
7	Recent Costumes II	D	11-Jul-98	15-Nov-98	4,125	4,125						(4,125)	(4,125)
8	Wealth of the Thracians (186)	L	08-Aug-98	11-Oct-98	206,825	206,825						(206,825)	(206,825)
9	Charles Jones	D	19-Sep-98	06-Dec-98	10,550	10,550						(10,550)	(10,550)
10	Feast for the Eye	D	26-Sep-98	13-Dec-98	89,182	89,182						(89,182)	(89,182)
11	Logan Book Room (4 rotations each year)	L	01-Oct-98	ongoing	15,000	15,000						(15,000)	(15,000)
12	Picasso and the War (105)	L	10-Oct-98	03-Jan-99	666,489	691,489	120,000	203,050	NEA-$100K	445,350	505,000	(101,139)	16,561
							NEH - $98K,	McCutcheon - $5K		60 % paid,	Admissions 300/hr $5		
13	Textile Rotation (114)	D	31-Oct-98	28-Feb-99	7,625	7,625				Groups - $25K	Audiotour $30,000 (15%)	(7,625)	(7,625)
14	Reinstall Legion (1-4) (5/6 in May)	L	01-Nov-98	15-Nov-98	29,353	29,353						(29,353)	(29,353)
15	Fred Wilson Intervention (167)	D	01-Dec-98	02-May-98	24,990	24,990		8,000	LEF			(24,990)	(16,990)
16	Day Without Art	D	01-Dec-98		2,920	2,920						(2,920)	(2,920)
17	Recent Costume Acquisitions III	D	05-Dec-98	27-Jun-99	5,925	5,925						(5,925)	(5,925)
18	Arnold Genthe	D	19-Dec-98	21-Mar-99	16,740	16,740	16,740	16,740	Root			0	0
19	Impressionists In Winter (109)	YBG	30-Jan-99	03-May-99	916,800	920,800				1,607,518	1,607,518	690,718	686,718
										Admissions 350/hr 60% pa	Audiotour $50,000 (15%)		
20	A Grand Design The Art of Victorie and Albert (181)	L	13-Feb-99	09-May-99	554,026	558,026		50,000	VISA	159,300	159,300	(394,726)	(348,726)
										Admissions 200/hr / $2.50	Audiotour $15,000 (15%)		
											50% paid		
21	Anderson Claes Oldenburg	L	06-Feb-99	25-Apr-99	15,050	15,050		11,000	Root			(15,050)	(4,050)

Continued

Appendix "C" – Exhibition Program FY 1998-99

		v e n u e	(1) Runs		(2) Cost		(3) Gifts and Grants			(4) Income		(5) Nets	
					Original	Revised	Original	Revised		Original	Revised	Original	Revised
	In-House Exhibitions												
22	Bouquets to Art	L	01-Mar-98	01-Mar-98	-	-						0	0
23	Textile Rotation	D	27-Mar-99	31-Oct-99	7,825	7,625						(7,625)	(7,825)
24	Achenbach (36/37 TBA)	D	10-Apr-99	04-Jul-99	10,600	10,600						(10,600)	(10,600)
25	AOA rotation	D	15-Apr-99	ongoing	3,000	3,000						(3,000)	(3,000)
26	American Hall Cases	D	01-Apr-98	ongoing	6,550	8,550						(6,550)	(6,550)
27	A la Pintura: Motherwell (Anderson gallery 5)	L	01-May-99	25-Jul-99	15,050	15,050		15,000	Root			(15,050)	(50)
28	Youth Arts Festival	D	05-May-99	09-May-99	-	-						0	0
29	Francis Bacon (108)	L	13-Jun-99	02-Aug-99	205,541	225,541		35,000	Art Point			(205,541)	(190,541)
30	Saxe Collection	D	26-Jun-99	17-Oct-99	67,305	87,305	87,305	67,305	Root			0	0
31	Grants and Gifts To Be Raised						100,000	50,000				100,000	50,000
			Subtotal In-House Exhibits		2,977,598	3,030,598	334,877	486,927	-	2,212,168	2,271,818	(430,553)	(270,053)
	FAM Travelling Exhibitions												
32	Crown Point Press (142)		01-Jul-98		2,500	2,500				8,300	8,300	5,800	5,800
34	If the Shoe Fits		01-Dec-98									0	0
35	Ancient Glass from the Holy Land		01-Nov-98		16,663	16,663				35,000	35,000	18,337	18,337
	Subtotal Traveling Tours				19,163	19,163	0	0		43,300	43,300	24,137	24,137
	Total In House and Traveling Exhibitions				2,996,761	3,049,761	334,877	486,927		2,255,468	2,315,118	(406,416)	(245,916)

ASSETS		LIABILITIES & FUND BALANCES	
Cash	1,837	Accounts Payable	402
Cash Equivalents	2,306	Other Accrued Liabilities	3,424
Accounts Receivable	3,472	Deferred Income - Restricted	2,498
Prepaid Expenses	384	Deferred Income - Unrestricted	3,235
Note Receivable	100	Fund Balances	
Inventory - Store	1,065	Unrestricted Fund	2,861
Inventory - Publications	472	Plant Fund	(2,174)
Investment in Bonds	750	Revenues over Expenses	488
Furniture & Equipment (Net)	348	(Note 2)	
	10,734		10,734

COFAM Reserve At 12/31/98	2,041

Note 1 -- Reserve Formula

Cash & Cash Equivalents	4,143
Bonds	750
Accounts Receivable	3,472
Less Accounts Payable	(402)
Less Other Accrued Liabilities	(3,424)
Less Deferred Income - Restricted	(2,498)
	2,041

Note 2 -- Revenues over Expenses

Operating Revenue over Expenses	593
Less Plant Fund	(240)
Plus Restricted Funds	135
Less Airport Fund	0
Surplus / (Deficit)	488

COFAM Balance Sheet At November 31,1998

ASSETS	
Cash	758
Cash Equivalents	2,200
Accounts Receivable	3,705
Prepaid Expenses	363
Note Receivable	100
Inventory - Store	1,102
Inventory - Publications	517
Investment in Bonds	750
Furniture & Equipment (Net)	373
	9,868

LIABILITIES & FUND BALANCES	
Accounts Payable	486
Other Accrued Liabilities	3,419
Deferred Income - Restricted	2,187
Deferred Income - Unrestricted	3,332
Fund Balances	
Unrestricted Fund	2,861
Plant Fund	(2,174)
Revenues over Expenses (Note 2)	(243)
	9,868

COFAM Reserve At 11/30/98 1,321

Note 1 -- Reserve Formula

Cash & Cash Equivalents	2,958
Bonds	750
Accounts Receivable	3,705
Less Accounts Payable	(486)
Less Other Accrued Liabilities	(3,419)
Less Deferred Income - Restricted	(2,187)
	1,321

Note 2 -- Revenues over Expenses

Operating Revenue over Expenses	(71)
Less Plant Fund	(210)
Plus Restricted Funds	38
Less Airport Fund	0
Surplus / (Deficit)	(243)

CORPORATION OF THE FINE ARTS MUSEUMS

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1/99

Executive Committee
Board of Trustees
Minutes

February 11, 1999

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Call to Order

A meeting of the Executive Committee of the Board of Trustees of the Corporation of The Fine Arts Museums was held on Thursday, February 11, 1999, in the 6th Floor Conference Room of the Museums' Administrative Offices at 233 Post Street, San Francisco. A quorum being present, the meeting was called to order at 1:08 p.m. by Mrs. Alfred S. Wilsey, President. President Wilsey presided; Mrs. Gough acted as Secretary.

Roll Call

Present:

Alvin H. Baum, Jr.
Charles Crocker
Ms. Frankie Jacobs Gillette, Vice President/Civic Affairs
David M. Jamison, Vice President/Audience Development
Mrs. Alfred S. Wilsey, Chairman
Frank Montgomery Woods

Excused:

Mrs. Ray Dolby, Vice President/Annual Support
Richard P. Essey
Richard P. Finn, Vice President/Finance
J. Burgess Jamieson
Nion McEvoy
J. Alec Merriam, Vice President/Collections
Michael E. O'Neill
Steven MacGregor Read, Vice President/Facilities

Other Trustees in Attendance:

Mrs. Ransom S. Cook
Richard W. Goss II
David R. Hoyer

The following non-voting officers were present:

Harry S. Parker III, Chief Executive Officer
Steve Dykes, Treasurer
Judy Gough, Secretary

Report of the President - Mrs. Alfred S. Wilsey

A. Consideration and Possible Action to Approve the Minutes of the January 14, 1999 Meeting of the Board of Trustees

The minutes of the January 14, 1999 meeting of the Board of Trustees, having been mailed in advance to all Trustees, were unanimously approved.

B. Report on Campaign 2000, Phase II, To Build a New de Young Museum

President Wilsey advised that letters have recently been mailed to all Trustees requesting that they renew or increase their original pledges to build a new de Young Museum. It is critical to Campaign 2000, Phase II, that one hundred percent Trustee participation be achieved. The Campaign moves forward with over $65 million in pledges to build a new de Young Museum.

C. Report on the Conceptual Planning for a New de Young Museum

Members of the architectural team of Herzog and de Meuron Architekten AG met with management staff in early February to initiate conceptual planning for a new de Young Museum. President Wilsey noted that these fact gathering sessions were preliminary to the visit at the end of March of principal architect, Pierre de Meuron, who will meet with the Conceptual Planning Committee of the Board of Trustees at that time. The conceptual plan for a new de Young Museum will be presented at the June 10, 1999 meeting of the Board of Trustees.

Mr. Parker then distributed and reviewed financial reports pertaining to new de Young planning costs. Project funds at July 1, 1997 totaled $804,963. New de Young planning donations during the 1997-98 fiscal year were $258,392 with interest earned, net of fees, for an additional $32,969. Expenses amounted to $602,111. The COFAM balance at June 30, 1998 was $494,213.

For the first six months of the current 1998-99 fiscal year ending on December 31, 1998, the following was reported: The COFAM balance at July 1, 1998 was $494,213. New donations were $311,425, and interest earned, net of fees, was $11,017. Expenses amounted to $109,337, bringing the balance as of December 31, 1998 to $707,319.

B. Report on Campaign 2000, Phase II, To Build a New de Young Museum (continued)

The remaining six months of the current 1998-99 fiscal year budget for new de Young planning is projected as follows. As of December 31, 1998, the balance was $707,319. Donations are expected to total $440,140 with interest earned, net of fees, accounting for an additional $12,000. Budgeted expenses including architectural fees and travel are projected at $703,835 leaving a balance of $455,624 at 1998-99 fiscal year end.

The Executive Committee recognized with sincere appreciation the $1,848,096 in donations received by COFAM since 1995 in support of new de Young Museum planning, and the additional $10,785,951 in donations for a new de Young Museum received by the Fine Arts Museums Foundation since 1997.

Chief Executive Officer's Report - Harry S. Parker III

A. Report on COFAM Operating Budget as of December 31, 1998

Mr. Parker asked Steve Dykes, Deputy Director for Administration and Finance, to present the Operating Budget Report as of December 31, 1998. Cumulative six month operating results were $593,000, some $717,000 better than budget, owing to year end annual contributions, the strong wind up of the *Picasso* exhibit, and personnel and other expenses running $550,000 less that anticipated. These factors translated into a gain in balance sheet cash, pushing up the reserve to $2,041,000, an increase of $720,000 from November. Board policy is to maintain a $2 million reserve.

This budget report includes a mid-year rolling forecast, which predicts a slightly more positive year end result than the original budget adopted eight months ago. The rolling forecast was reviewed in detail by the Budget Committee.

Total resources were up $167,000. Support ran $55,000 ahead of budget due to bigger draw downs of restricted grants and gifts than budgeted. On the revenue side, general admissions, exhibit earned income and member dues continued to beat budget projections by $112,000, largely on the strength of *Picasso.*.

Personnal expenses trailed budget by $167,000. Other costs were down $550,000 due to expenses incurred slower than planned. However, most expense areas will catch up to budget during this winter / spring.

In sum, the first half of the year went much better than expected. But the conclusion of the fiscal year is tied to the popularity of the *Impressionists* and *Victoria and Albert* shows.

Report of the Budget Committee - Steve Dykes, Treasurer, for Richard H. Finn, Chair and Vice President of Finance

At the Budget Committee meeting two weeks ago, the rolling forecast for the current 1998-99 fiscal year was reviewed with the majority of the discussion centered on the upcoming 1999-2000 fiscal year operating budget. The projected deficit for the next fiscal year has been reduced from a $1.9 to a $1.4 million deficit through the addition of an exhibition at the Legion in the summer, *St. Francis of Assisi,* and projecting more aggressive numbers for the exhibition program, in particular the *Georgia O'Keeffe* show. The Budget Committee will meet every six weeks in order to finalize the 1999-2000 budget for presentation to the Board of Trustees at its June 10, 1999 meeting.

Report of the Annual Support Committee - Barbara Boucke, Deputy Director for Development, for Mrs. Ray Dolby, Chair and Vice President

As of January 31, 1999, unrestricted annual contributions exceeded budget. Every effort is being made to increase annual contributions as a means of achieving the $2,655,000 annual fund raising goal for FY 1998-99. Ms. Boucke recognized the Trustees for their continued support in meeting this goal and also generously supporting Campaign 2000, Phase II, to build a new de Young Museum. Fine Arts Museums membership continues to grow with over 53,000 members.

Report of the Fine Arts Museums Foundation - Charles Crocker, President

In the absence of Trustee Crocker, Mr. Parker presented the Endowment Fund Report. At the close of business on February 5, 1999, the endowment portfolio was valued at $68,543,768. It was invested 60.31% in equities, 37.71% in fixed income, and 1.98% in cash and cash equivalents.

Adjournment - Mrs. Alfred S. Wilsey, President

There being no further business, the meeting was adjourned at 1:35 p.m.

Respectfully submitted,

Judy Gough
Executive Secretary
Museums

excm992

FINE ARTS MUSEUMS of SAN FRANCISCO

DOCUMENTS DEPT.

MAY 10 1999

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Board of Trustees
California Palace of the Legion of Honor
M.H. de Young Memorial Museum

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OFFICIAL MEETING NOTICE

Corporation of The Fine Arts Museums
Executive Committee of the Board of Trustees

Thursday, May 13, 1999
12:30 P.M.[1]
Administrative Offices
233 Post Street, 6th Floor Conference Room
San Francisco, California

AGENDA

I. Call to Order - Mrs. Alfred S. Wilsey, President

II. Calling of the Roll

Trustees:

Alvin H. Baum, Jr.
Charles Crocker
Belva Davis
Mrs. Ray Dolby, Vice President/Annual Support
Richard P. Essey
Richard H. Finn, Vice President/Finance
Ms. Frankie Jacobs Gillette, Vice President/Civic Affairs
J. Burgess Jamieson
Diane B. Lloyd-Butler, Vice President/Audience Development
J. Alec Merriam, Vice President/Collections
Nion T. McEvoy
Robert A. Mills
Steven MacGregor Read, Vice President/Facilities
Mrs. Harry H. Wetzel
Mrs. Alfred S. Wilsey, President

[1]Or such earlier time as the meeting of the Executive Committee of the Board of Trustees of the Fine Arts Museums of San Francisco ends, but in no event before 12:30 p.m.

III. Report of the President - Mrs. Alfred S. Wilsey

A. Consideration and Possible Action to Approve the Minutes of the April 8, 1999 Meeting of the Board of Trustees (See Appendix A) filed under Minutes Board of Trustees

B. Report on the Campaign to Build a New de Young Museum in Golden Gate Park

1. Appointment of the Ad Hoc Public Campaign Committee to Build a New de Young Museum in Golden Gate Park

C. Report on the Conceptual Planning for a New de Young Museum in Golden Gate Park

D. Consideration and Possible Action to Adopt a Resolution Recommending to the Board of Trustees the Approval of a Statement of Need and Opportunity for a New de Young Museum in Golden Gate Park, Setting the Fund-Raising Goal, and Launching a Public Campaign to Build a New de Young Museum in Golden Gate Park in the Fall of 1999 (See Appendix B)

WHEREAS, The Board of Trustees of the Fine Arts Museums of San Francisco at its meeting on October 15, 1998 reaffirmed its commitment to build a new de Young Museum in Golden Gate Park to protect the collections; visitors and staff from seismic hazards; and

WHEREAS, In the absence of City funding, The Board of Trustees has recognized that private funds must be utilized to pay for the conceptual planning costs of a new de Young Museum; and

WHEREAS, On January 14, 1999, Herzog and de Meuron Architekten AG was selected to develop a de Young Museum conceptual plan for presentation at the June 10, 1999 meeting of the Board of Trustees; and

WHEREAS, The Director of Museums has submitted to the Executive Committee a Statement of Need and Opportunity setting forth the rationale and vision for a new de Young Museum in Golden Gate Park; and

WHEREAS, An Ad Hoc Public Campaign Committee has been appointed by the President of the Board of Trustees to assist in the effort to meet the fund raising goal of the Campaign to Build a New de Young Museum in Golden Gate Park; and

III. Report of the President - Mrs. Alfred S. Wilsey (continued)

D. Consideration and Possible Action to Adopt a Resolution Recommending to the Board of Trustees the Approval of a Statement of Need and Opportunity for a New de Young Museum in Golden Gate Park, Setting the Fund-Raising Goal, and Launching a Public Campaign to Build a New de Young Museum in Golden Gate Park in the Fall of 1999 (See Appendix B - continued)

WHEREAS, The Ad Hoc Public Campaign Committee is charged with recommending the fund-raising goal and timetable for the Public Campaign to Build a New de Young Museum in Golden Gate Park to commence in the fall of 1999; now, therefore, be it

RESOLVED, That the Executive Committee does hereby endorse the Statement of Need and Opportunity submitted by the Director of Museums and further charges the Ad Hoc Public Campaign Committee with recommending a fund-raising goal and timetable for the Public Campaign to Build a New de Young Museum in Golden Gate Park to commence in the fall of 1999 to the Board of Trustees for approval at its June 10, 1999 meeting.

E. Other Informational Items

IV. Report of the Chief Executive Officer - Harry S. Parker III

A. Report on COFAM Operating Budget as of March 31, 1999 (See Appendix C)

B. Status Report on COFAM Early Retirement Plan Offer

C. Consideration and Possible Action to Adopt a Resolution Increasing the Endowment Fund Distribution Rate for Operating Budget Support to 4.5% from 4% for Fiscal Year 1999-2000

WHEREAS, In June 1997, the Federal Council on the Arts and and Humanities withdrew indemnification for international art exhibitions at the M. H. de Young Memorial Museum, citing that the risk to the United States Treasury was too great given the building's current seismic condition; and

WHEREAS, At its meetings on September 10, 1998 and October 15, 1998, the Executive Committee and the Board of Trustees, respectively,

IV. Report of the Chief Executive Officer - Harry S. Parker III (continued)

C. Consideration and Possible Action to Adopt a Resolution Increasing the Endowment Fund Distribution Rate for Operating Budget Support to 4.5% from 4% for Fiscal Year 1999-2000 (continued)

reviewed the economic implications of the withdrawal of indemnification insurance for temporary exhibitions at the de Young Museum as set forth in operating budget projections for the next five years; and

WHEREAS, The operating budget projections reflect the quantification of the economic reality of a five year cumulative operating deficit of as much as $11 to $13 million; and

WHEREAS, The Museums' Budget Committee is evaluating every means to reduce and eliminate the projected deficits; and

WHEREAS, Temporarily increasing The Fine Arts Museums Foundation endowment fund distribution rate in support of COFAM operations would be a valuable contribution to deficit-reducing efforts; now, therefore, be it

RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museums does hereby request the Board of Trustees of The Fine Arts Museums Foundation to increase the endowment fund distribution rate for fiscal year 1999-2000 to 4.5% from 4%.

D. Consideration and Possible Action to Adopt a Resolution Increasing Certain Annual Membership Fees According to the Following Schedule at the Fine Arts Museums of San Francisco

WHEREAS, Annual fees for the Participating, Family, and Contributing categories of membership at the Fine Arts Museums of San Francisco have not been increased in over seven years and are, in general, lower than prevailing membership fees for major San Francisco museums; and

WHEREAS, Membership fees are an important revenue source to support the Museums' programs; now, therefore, be it

IV. Report of the Chief Executive Officer - Harry S. Parker III (continued)

D. Consideration and Possible Action to Adopt a Resolution Increasing Certain Annual Membership Fees According to the Following Schedule at the Fine Arts Museums of San Francisco (continued)

RESOLVED, That the Executive Committee of the Board of Trustees does hereby approve an increase in annual membership fees for the following categories of membership effective July 1, 1999 for new memberships with existing memberships renewable at present membership fee rates through December 31, 1999:

Membership Category	Current Fees	Proposed Fees
Participating	$50	$60
Family	$60	$70
Contributing	$100	$125

E. Consideration and Possible Action to Adopt a Resolution Authorizing the Establishment of the Nancy Van Norman Baer Fund

WHEREAS, Nancy Van Norman Baer served as Curator of Theater and Dance at the Fine Arts Museums of San Francisco from 1978 until her death in 1998; and

WHEREAS, More than $22,000 in gifts has been received in memory of Nancy Van Norman Baer, a testament to the deep affection so many held for her; and

WHEREAS, Alan Baer, husband of Nancy Van Norman Baer, wishes to establish the Nancy Van Norman Fund in her memory having committed to its continued future growth, and has requested the transfer of more than $22,000 in memorial gifts to the proposed Fund; now, therefore, be it

RESOLVED, That the Executive Committee of the Board of Trustees at its May 13, 1999 meeting does hereby authorize the establishment of the Nancy Van Norman Baer Fund at the request of Alan Baer recognizing his commitment to its continued future growth, and to the transfer of more than $22,000 in memorial gifts to the Fund.

IV. Report of the Chief Executive Officer - Harry S. Parker III (continued)

F. Consideration and Possible Action to Adopt a Resolution to Request The Fine Arts Museums Foundation to Establish an Endowment Fund Entitled the Dr. Leland A. Barber and Gladys K. Barber Fund

WHEREAS, In early June 1998, George S. Youngling, attorney representing the Estate of Gladys K. Barber, informed the Corporation of The Fine Arts Museums that decedent Gladys K. Barber had named the Corporation of The Fine Arts Museums as a beneficiary to establish the Dr. Leland A. Barber and Gladys K. Barber Fund, the income from which shall be used by the museum for augmenting and/or maintaining (such as reframing, reupholstering, etc.) the American arts collection of the museum; and

WHEREAS, A preliminary and final distribution from the Estate of Gladys K. Barber in the amount of $2,007,176.58 was received on April 30, 1999; now, therefore, be it

RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museum does hereby request The Fine Arts Museums Foundation to establish and manage the Dr. Leland A. Barber and Gladys K. Barber Fund as an endowed fund of the Foundation for the exclusive benefit of the Fine Arts Museums in accordance with the bequest from Gladys K. Barber; and, be it

FURTHER RESOLVED, That the Board of Trustees of the Corporation of the Fine Arts Museums expresses sincere gratitude to decedent Gladys K. Barber for her extraordinary generosity in support of the Fine Arts Museums of San Francisco.

G. Consideration and Possible Action to Adopt a Resolution to Designate the Proceeds from the Estate of Paula Fortune to Unrestricted Art Acquisitions

WHEREAS, On April 8, 1998, Peter E. Lippett, attorney representing the Estate of Paula Fortune, informed the Museums that decedent Paula Fortune had named the M. H. de Young Memorial Museum as a beneficiary to receive $25,000; and

WHEREAS, On March 30, 1999, a distribution of $25,000 was received by the Fine Arts Museums of San Francisco; and

IV. Report of the Chief Executive Officer - Harry S. Parker III (continued)

G. Consideration and Possible Action to Adopt a Resolution to Designate the Proceeds from the Estate of Paula Fortune to Unrestricted Art Acquisitions (continued)

WHEREAS, The Director of Museums recommended the disposition of the proceeds for unrestricted art acquisition; now, therefore, be it

RESOLVED, That the Executive Committee of the Board of Trustees does hereby restrict the proceeds from the Estate of Paula Fortune for unrestricted art acquisition.

H. Consideration and Possible Action to Approve the Revised Bylaws of the Docent Council of the Fine Arts Museums of San Francisco (See Appendix D)

I. Other Informational Items

V. Report of the Budget Committee - Richard H. Finn, Chair and Vice President of Finance

A. Consideration and Possible Action to Adopt a Resolution for a Balanced 1999-2000 Operating Budget

WHEREAS, The Board of Trustees of the Corporation of The Fine Arts Museums (COFAM) is strongly committed to the policy of achieving a balanced operating budget in every fiscal year; and

WHEREAS, Balanced budgets are key to the financial stability of the Museums and to the sound management of its resources; and

WHEREAS, A balanced operating budget has been achieved in all of COFAM's previous fiscal years; now, therefore, be it

RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museums continues to endorse the fundamental financial policy of balanced operating budgets which includes plant fund depreciation; and, be it

FURTHER RESOLVED, That COFAM's Chief Executive Officer is instructed to take the necessary actions to carry out the balanced operating budget policy in FY 1999-2000 and in succeeding years.

VI. Report of the Audience Development and Marketing Committee - Diane B. Lloyd-Butler, Chair and Vice President

VII. Report of the Annual Support Committee - Barbara Boucke, Deputy Director for Development, for Mrs. Ray Dolby, Chair and Vice President

VIII. Report of the Fine Arts Museums Foundation - Charles Crocker, President

IX. Adjournment - Mrs. Alfred S. Wilsey, President

FINE ARTS MUSEUMS of SAN FRANCISCO

Office of the Director
California Palace of the Legion of Honor
M.H. de Young Memorial Museum

MEMO

To: Board of Trustees
From: Harry S. Parker III
Re: Opportunity for a New de Young Museum in Golden Gate Park

> *"We do not claim today to offer for your criticism a great, full-fledged museum... it was determined to create a nucleus of what someday would be a great museum."*
>
> – March 21, 1895, M.H. de Young at the opening of the Memorial Museum

Today the de Young *is* a great American art museum.

It holds a central place in the cultural life of our community: as the principal collector, steward and exhibitor of some of the City's most important art collections, a center for art education and cultural awareness in the city and the region, and, until recently, the dominant special exhibition center in the west. But where the de Young as an institution has evolved, maturing deliberately into each of these roles, the physical museum has been cobbled together. As an institution we have found our mission as the City's art museum, but the ramshackle complex of seismically and functionally inadequate structures that comprise the current de Young facility must be replaced if we are to pursue this mission successfully into the next century. Our de Young Museum is strong in spirit, but in desperate and immediate need of a new home.

One hundred and five years ago Michael de Young asked the people of San Francisco to accept a series of buildings in the process of becoming a museum. Now we need a new facility for the exceptional museum we've become. We are not building a new de Young out of nostalgia for the old. Instead, we are building the de Young a new home to fully realize and nourish the strengths and traditions that make our institution so vital: diverse collections, imaginative programs and a broad community of people who care deeply about culture in San Francisco.

Just a few years ago, the board turned the necessity of retrofitting the Legion of Honor into an occasion for the rejuvenation of the museum. Now the time has come to turn our energies to the de Young.

What began as an obligation has become an opportunity.

Administrative Offices
233 Post Street, San Francisco, CA 94108-5003
tel: 415.750.3661 fax: 415.750.7686

A Storied Past, A Bright Future

The Museum in the Park

Over the last one hundred years, the de Young, the Academy, the Tea Garden, the Conservatory and Strybring Arboretum have helped turn the park into one of the richest and most vibrant urban oases in the world. These institutions, including the de Young have become integral to San Franciscans' idea of what Golden Gate Park is for: nature, recreation *and* culture. According to The San Francisco Partnership for Parks' 1998 report, for example, 73% of Bay Area residents polled would rather visit the de Young Museum and the Academy of Sciences in Golden Gate Park than downtown.

Recently, San Franciscans have also come to realize that these institutions play another important role in the park. They help anchor public attention and resources: both of which are critical to making the park safe and clean for all San Franciscans. As the San Francisco Museum of Modern Art and Pacific Bell Park have consolidated the city's crusade for urban renewal south of Market, so the new de Young, along with renovations of the Academy and Conservatory, will serve to rejuvenate Golden Gate Park. The new park-friendly de Young is designed specifically to revitalize the idea of the "museum in the park." The new design harmonizes the de Young with the concourse and the park as effectively as SFMOMA's building suits the downtown.

Finally, the unique environment that now exists in the park, with the blending of nature and culture, has made it a centerpiece of the city's educational infrastructure. The same San Francisco Partnership for Parks report found that "educators expressed a nearly unanimous preference for the Golden Gate Park location [for the de Young and the Academy]." Today we have made it a civic value to unite nature and culture in Golden Gate Park because we know that it is critical to our children's education and our quality of life.

Golden Gate Park will always be subject to competing priorities, budgetary constraints, enthusiastic use and, inevitably, natural disaster. The new de Young will be a positive and stabilizing force in and for the park.

Bringing the World to San Francisco

From its beginnings in the California Midwinter Exposition, the de Young has connected San Francisco to the world, and our city's communities to each other, through its collections, exhibitions and programs.

Collections
The de Young's collections have come a long way from the days when they consisted of "23,000 stuffed birds, and eggs of every biped that ever had wings," a German World War I battle plane and the skin of a flying squirrel. Today, the de Young houses outstanding collections of Arts of the Americas, textiles, and art from Oceania and

Africa. Over the years, the de Young has built these collections through gift, bequest and purchase.

These prestigious collections have come to San Francisco because the de Young has always inspired confidence in donors wanting to invest their collections on behalf of the people of the western United States. A new de Young is, perhaps, the best investment we will ever make in collection development for the future. As we have seen with SFMOMA, new museums are magnets for new collections. Only a new building will ensure that the de Young remains *the* place where prominent national collections find a home on the west coast.

In addition to being a stronger lure for new collections and a safer and more hospitable home for the City's art, a new de Young will enable us to use the collections to make a progressive and compelling case for an integrated portrayal of the arts of the Americas as a dynamic collective narrative ranging from the ancient civilizations of Mesoamerica to contemporary America.

Exhibitions

The de Young has been a leader and model for the international rise of the special exhibition, beginning with the spectacular success of the California Midwinter Exposition and its successors the Panama-Pacific International Exposition (1915) and the Golden Gate International Exposition (1939-40) and continuing through every decade of this century right up to the exhibitions we are still familiar with today. From The Treasures of Tutankhamun (1979) to The New Painting: Impressionism (1986), and Teotihuacan: City of the Gods (1993), the de Young's exhibition program has been San Francisco's window on the world. De Young exhibitions have supported the careers of great California artists such as Wayne Thiebaud and Richard Diebenkorn, revived and stimulated interest in ancient and native cultures, and nourished the public's interest in archaeology, history and art.

Major traveling exhibitions are the world's premier vehicles for cross-cultural dialogue and one of the engines of the cultural tourism so important to San Francisco's economic well-being. The de Young has excelled in organizing and drawing the most compelling and meaningful of these shows. In this it has always reflected the uniquely inquisitive, discerning and diverse nature of San Francisco and its citizens.

Programs

Public education and enrichment is the reason that museums, including the de Young, were created. For decades the de Young has been at the forefront of the movement among American museums to educate the public through art. Our educational and community programs are among the most progressive, the most accomplished and the most comprehensive in the country: Free School Tours, Doing & Viewing Art, the Museum Ambassador Program, Poets-in-the-Galleries, the Education Resource Center, Gallery One, classes and workshops for high school students, college students and teachers, community lectures and tours, Big Kids/Little Kids. On the other side of the spectrum, the Museum's community-based exhibition planning committees have broken

new ground in using the Museum's exhibition program to strengthen the ties between the Museum and the communities we serve.

Taken together these programs have earned the de Young recognition as a national leader in arts education and community outreach. It is no accident that every 5th grader in the city visits the de Young as part of their curriculum. A new de Young is essential to ensuring that we will continue to be a leader among museums in serving the educational needs of our constituencies.

Our Common Ground

The traditional view of the role museums play in society relates primarily to preserving our cultural heritage, with "our," not deliberately but almost inevitably, relating to whoever founded the museum, and "heritage" meaning whatever was most important to them. Through accident of birth and the unique spirit of San Francisco, the de Young is different. It wasn't built to house someone's collection, or collect a particular kind of art or artifact or to teach the public the value of a certain aesthetic over another. It was born out of the idea that San Francisco and its citizens should engage the world. And even though the de Young has left the "cabinet-of-curiosities" model behind and become home to the City's art, it retains a unique sense of wonder and openness, and an all-inclusiveness it had when it was still the City's "attic."

The de Young Museum tradition is the belief that the City needs a common ground where— through art—the usual boundaries that separate us from each other: culture, creed, race and all the others, become bridges that connect us. In the new de Young, this unique character, this remarkable tradition, this uncompromising dedication to access will be integrated into the very structure of the building itself.

A Summary Case for the New De Young

The new de Young will:

- integrate the museum into the park and the park into the museum, revitalizing the idea of the "museum in the park";
- make the arts and education key partners in the overall renewal of Golden Gate Park;
- tell the story of the arts of the Americas as it's never been told before – as a dynamic collective narrative ranging from the ancient civilizations of Mesoamerica to contemporary America;
- connect San Francisco to the world through its diverse collections and important visiting exhibitions;
- affirm that art truly matters to all of us, as individuals and as communities;
- be a landmark American museum to honor the City's greatest strength, its diversity.

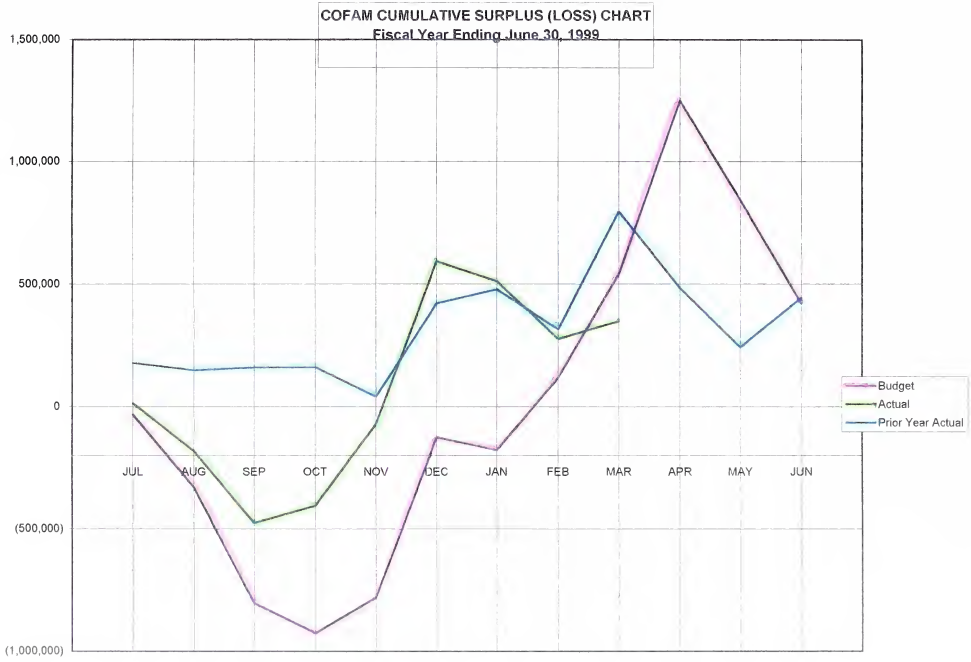
The new de Young will serve as a model for how museums can better integrate diverse collections, facilitate the crossing of boundaries that have traditionally kept art compartmentalized in rigid categories, and allow for the greatest understanding of our pluralism. It will be the ideal blend of the museum's rich traditions and progressive ideas. Its distinctive identity will be reflected in the uniqueness of its exhibitions and programs, as well as the building itself—the hallmark of all great museums.

Our vision for this new de Young will secure a lasting legacy for San Francisco and the hundreds of thousands of visitors the Museum attracts each year. It will not be long before everyone will be able to look out from the tower of the new de Young, to all parts of the city: to Lincoln Park and Golden Gate Bridge, to downtown and the financial district, Mount Sutro and the Mission, and to Ocean Beach and the Avenues and get the full sense that their visit to the de Young has brought them into the heart of San Francisco.

COFAM March 1999 Operating Budget Report & Rolling Forecast

	Page
Cumulative Surplus (Loss) Chart	1
Budget-In-Brief	2
Annual Contributions	7
Stores	8
Exhibition Program	9
Balance Sheet	11

Appendix C


COFAM CUMULATIVE SURPLUS (LOSS) CHART
Fiscal Year Ending June 30, 1999
1,500,000
1,000,000
500,000
0
(500,000)
(1,000,000)
JUL
AUG
SEP
OCT
NOV
DEC
JAN
FEB
MAR
APR
MAY
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Budget
Actual
Prior Year Actual

COFAM Operating Budget-In-Brief
Month Ended 31 March 1999

Overview

Cumulative nine month operating results were $349k – good but $192k off budget, owing to the *Impressionists* show drawing 61% of budgeted visitors. At 3/31/99, the reserve stood at $2,167; board policy requires at least $2 million.

The 3/10/99 rolling forecast included in this report takes into account that although both the *Impressionists* and *Victoria & Albert* exhibits were well-received, they did not meet attendance and revenue expectations. Now that the *Impressionists* show is over, preliminary numbers take the rolling forecast from a $171k positive bottom line to break even before the cost of writing off surplus *Impressionists* catalogues, the cost of the COFAM early retirement program, and recognizing depreciation expenses. In the last seven weeks of the fiscal year, every effort is being made to maximize contributions and revenues while expenses are being kept as low as possible. However, the year-end outcome is too close to call.

March Highlights

Total resources (support and revenue) were off $515k from the original budget. Support ran $153k ahead of budget, but revenues lagged by $668 with shortfalls in exhibit-driven lines such as the stores and exhibit program earned income. Benefit income was marked down earlier in the year when no plans were forthcoming for a spring event. Development trip fees will be recouped by the June Associates' trip, which the original budget assumed would occur earlier.

Total expenses were $322k below budget. Personnel expenses continued to trail budget – by $238k at the end of March. A hiring freeze is beginning to increase personnel savings. The result of budget versus actual expense timing, as well as cuts, brought other expenses in $84k lower than the budget plan.

brept 5/6/99 @ 12:19pm

COFAM FY 1998-99 Operating Budget At March 31,1999 (9 Months - 75% Of The Budget Year)

$ in thousands

	(1)		(2)			(3)				
	March		9-Months							
	Original Budget	Actual	Original Budget	Actual	Variance to Y-T-D Budget	Original Budget	Rolling Forecast 3/10/99	Variance to Original Budget	% Actual To Rolling Forecast	
SUPPORT & REVENUE										
Support										
1) Annual Contributions	174	214	1,780	1,909	130	2,655	2,655	0	71.9%	See page 7.
2) Bequests and Major Unrestricted Gifts	0	0	0	2	2	0	0	0	0.0%	
3) Foundation Endowment Support	106	106	956	956	0	1,275	1,275	0	75.0%	
4) Specified Funds										
--Curatorial/Conservation	50	52	330	392	62	414	502	88	78.0%	
--Publications	5	0	35	20	(15)	50	70	20	28.6%	
--Exhibitions	15	29	238	358	120	335	463	128	77.3%	
--Education Programs	49	42	183	194	10	284	448	164	43.2%	
--New deYoung Planning	51	26	387	178	(209)	542	723	181	24.7%	
--General	2	6	19	67	48	25	70	45	96.2%	
Subtotal Specified Funds	172	155	1,192	1,209	17	1,650	2,276	626	53.1%	
5) COFAM Investment Income	7	10	84	88	4	140	140	0	63.2%	
Subtotal Support	459	485	4,012	4,165	153	5,720	6,348	626	65.6%	

COFAM FY 1998-99 Operating Budget At March 31,1999 (9 Months - 75% Of The Budget Year)

$ in thousands

	(1)		(2)			(3)				
	March		9-Months							
	Original Budget	Actual	Original Budget	Actual	Variance to Y-T-D Budget	Original Budget	Rolling Forecast 3/10/99	Variance to Original Budget	% Actual To Rolling Forecast	
Revenue										
6) Museum Store Sales	582	385	2,943	2,380	(563)	3,763	2,965	(798)	80.3%	See page 8.
Less Discounts	(25)	(15)	(139)	(118)	21	(175)	(130)	45	90.7%	
Less Cost of Goods	(281)	(202)	(1,471)	(1,240)	231	(1,875)	(1,503)	372	82.5%	
Less Commissions and Royalties	(23)	(12)	(86)	(52)	33	(112)	(76)	36	68.9%	
Gross Profit	254	156	1,248	970	(277)	1,601	1,256	(345)	77.3%	
7) Facilities Rental Gross	50	67	514	498	(16)	644	644	0	77.4%	
8) Benefits Gross Income	0	10	313	53	(260)	313	69	(244)	77.5%	
9) General Admissions COFAM Net	151	117	1,172	1,271	99	1,490	1,597	114	79.6%	
10) Food & Beverage Concession Fees	14	11	118	128	10	153	153	0	83.4%	
11) Exhibition Program Earned Income	580	440	1,627	1,413	(214)	2,255	1,857	(398)	76.1%	See pages 9 and 10.
14)FAM Membership Dues	285	312	2,223	2,286	63	2,850	2,850	0	80.2%	
15) Conservation Services	57	38	242	191	(51)	352	352	0	54.3%	
16) Miscellaneous										
--Development Trip Fees	0	4	213	63	(150)	213	213	0	29.5%	
--Publication Sales Net	5	52	98	176	78	114	140	26	126.0%	
--Other Fees	30	48	270	319	49	360	452	92	70.6%	
Subtotal Revenue	1,426	1,255	8,036	7,368	(668)	10,345	9,582	(756)	76.9%	
Total Support & Revenue	1,885	1,740	12,048	11,533	(515)	16,065	15,928	(130)	72.4%	

Museum Attendance:

March 1999: 69,006 visitors, 34.5% paid, budgeted - 65,000 visitors, 44.5% paid.
Year to Date: 612,205 visitors, 42.5% paid, budgeted - 534,000, 44.5% paid

Membership:

Year to date 40,359 dues paid members averaging $56.64 per member
compared to budgeted goals of 40,556 dues paid members averaging $54.81 per member
Current active paying members = 53,020

COFAM FY 1998-99 Operating Budget At March 31,1999 (9 Months - 75% Of The Budget Year)

$ in thousands

	(1)		(2)			(3)			
	March		9-Months						
	Original Budget	Actual	Original Budget	Actual	Variance to Y-T-D Budget	Original Budget	Rolling Forecast 3/10/99	Variance to Original Budget	% Actual To Rolling Forecast
EXPENSES									
Personnel Expenses									
17) Curatorial									
Curatorial/Conservation/Education	273	263	1,777	1,731	(45)	2,369	2,357	(12)	73.5%
Project Funded Employees	57	60	442	414	(27)	572	577	5	71.8%
Exhibit Group	97	78	625	622	(3)	839	848	9	73.3%
Exhibit Program Temporary Labor	34	25	294	226	(68)	381	409	28	55.3%
18) Development									
Development - General	60	60	388	399	11	517	501	(16)	79.6%
Membership	65	58	408	362	(46)	539	503	(36)	71.9%
19) Administration									
Administration General	138	136	901	929	28	1,199	1,276	77	72.8%
Media Relations & Advertising	33	32	211	210	(1)	282	280	(2)	75.1%
New deYoung Planning	22	20	144	129	(15)	192	192	0	67.3%
Operations Group	39	38	257	243	(14)	339	337	(2)	72.0%
Stores	85	78	442	418	(24)	573	526	(47)	79.4%
Facilities Rental	28	(3)	214	180	(34)	265	244	(21)	73.8%
Subtotal Personnel	931	843	6,102	5,863	(238)	8,066	8,049	(17)	72.8%

COFAM FY 1998-99 Operating Budget At March 31,1999 (9 Months - 75% Of The Budget Year)

$ in thousands

	(1)		(2)			(3)			
	March		9-Months						
	Original Budget	Actual	Original Budget	Actual	Variance to Y-T-D Budget	Original Budget	Rolling Forecast 3/10/99	Variance to Original Budget	% Actual To Rolling Forecast
Other Expenses									
20) Curatorial									
Curatorial/Conservation/Education	66	60	533	369	(164)	753	772	19	47.8%
Publications	5	0	35	2	(33)	50	50	0	3.2%
Exhibit Group	11	4	96	67	(29)	136	127	(9)	53.0%
Exhibit Program	166	255	1,831	1,963	132	2,616	2,601	(15)	75.5%
21) Development									
Development - General	35	104	412	513	101	696	708	12	72.5%
Benefits	0	0	85	8	(77)	138	11	(127)	75.9%
Membership	13	32	438	457	19	483	477	(6)	95.7%
Magazine / Guide	0	57	167	163	(4)	265	239	(26)	68.3%
22) Administration									
Administration General	69	100	623	789	165	858	975	117	80.9%
Media Relations & Advertising	70	90	380	297	(84)	472	436	(36)	68.0%
New deYoung Planning	29	6	243	49	(194)	350	531	181	9.2%
Operations Group	51	49	443	428	(15)	607	574	(33)	74.5%
Stores	15	14	104	127	23	134	134	0	94.7%
Facilities Rental	2	53	13	90	76	20	73	53	122.4%
Subtotal Other Expenses	531	824	5,404	5,321	(84)	7,578	7,708	130	69.0%
Total Expenses	1,463	1,667	11,506	11,184	(322)	15,644	15,757	113	71.0%
SUPPORT & REVENUE OVER EXPENSES	423	73	542	349	(192)	421	171	(243)	204.1%
COFAM SUPPORT OF BOND MEASURE CAMPAIGN									
SUPPORT & REVENUE OVER EXPENSES	423	73	542	349	(192)	421	171	(250)	
LESS PLANT FUND DEPRECIATION	(25)	(25)	(225)	(225)	0	(300)	(390)	(90)	
	398	48	317	124	(192)	121	(219)	(340)	

Appendix A - Annual Contributions Report -- Month Ending March, 1999 (75% Of The Budget Year)
$ in thousands

(1)	(2)			(3)				(4)	
Contribution Categories	March 1999 Actuals	Budget	March 1998 Actuals	Year To Date Budget	Actuals	Variance to Y-T-D Budget	Prior Year Actuals	Current Year Annual Goals	Current Year % of Annual Goals Achieved
1) Associates ($5,000 and up)	114	100	329	1,000	1,012	12	1,352	1,500	67.5%
2) Patrons ($2,500 - $5,000)	10	8	0	83	107	25	83	100	107.2%
3) Friends ($1,000 - $2,500)	33	50	44	316	355	39	305	450	79.0%
4) National Council/Other	3	6	10	43	46	3	45	55	83.2%
5) Mail Drive	8	0	6	110	128	18	144	150	85.4%
6) Phone Campaign	25	0	0	0	94	94	10	150	62.6%
7) Business	21	5	15	137	90	(47)	124	150	60.1%
8) Foundations	0	5	20	91	77	(14)	108	100	76.5%
	214	174	425	1,780	1,909	130	2,172	2,655	71.9%

Appendix "B" -- Stores Report: 8 Months Ended March 28,1999
$ in thousands

	In House Merchandising				Outside Merchandising	
	(1) deYoung Store		(2) Legion Store		(3) Wholesale & Royalties	
	Budget	Actual	Budget	Actual	Budget	Actual
Sales	416	491	688	698	74	74
Discounts	(25)	(39)	(34)	(40)		
Cost of Goods	(212)	(256)	(358)	(373)	(45)	(37)
Commissions & Royalties	0	0	0	0	(6)	(2)
Gross Profit	179	196	296	285	23	36
Personnel Expenses	172	112	149	147	23	21
Other Expenses	30	73	10	9	3	0
Total Expenses	202	185	159	156	27	21
Gross Profit Over Expenses	(23)	11	137	128	(3)	15
Variance to Year To Date		34		(8)		19

	Exhibition Merchandising					
	(4) Picasso Store		(5) Impressionist Store		(6) Grand Totals	
	Budget	Actual	Budget	Actual	Budget	Actual
Sales	896	577	869	541	2,944	2,380
Discounts	(45)	(20)	(35)	(19)	(139)	(118)
Cost of Goods	(448)	(300)	(409)	(274)	(1,471)	(1,240)
Commissions	(36)	(25)	(43)	(26)	(86)	(53)
Gross Profit	367	232	383	222	1,248	970
Personnel Expenses	45	88	42	50	444	418
Other Expenses	7	16	53	28	104	127
Total Expenses	52	105	95	78	548	545
Gross Profit Over Expenses	315	127	288	143	700	425
Variance to Year To Date		(188)		(144)		(275)

Appendix "C" – Exhibition Program FY 1998-99

		venue	(1) Runs		(2) Cost		(3) Gifts and Grants			(4) Income		(5) Nets	
	In-House Exhibitions				Original	Revised	Original	Revised		Original	Revised	Original	Revised
1	Achenbach 50th Anniversary (123)	L	18-Apr-98	05-Jul-98	1,800	1,800						(1,800)	(1,800)
2	Ancient Glass from the Holy Land (159)	D	02-May-98	16-Aug-98	27,005	27,005						(27,005)	(27,005)
3	Contemporary Screenprints: Anderson	L	09-May-98	23-Aug-98	-	-						0	0
4	Stanley Spencer (133)	L	06-Jun-98	06-Sep-98	33,390	33,390						(33,390)	(33,390)
5	John Steuart Curry (127)	D	13-Jun-98	30-Aug-98	30,832	30,832	30,832	30,832	Root			0	0
6	George Fitch Collection	D	13-Jun-98	06-Sep-98	3,300	3,300						(3,300)	(3,300)
7	Recent Costumes II	D	11-Jul-98	15-Nov-98	4,125	4,125						(4,125)	(4,125)
8	Wealth of the Thracians (186)	L	08-Aug-98	11-Oct-98	206,825	166,800						(206,825)	(166,800)
9	Charles Jones	D	19-Sep-98	08-Dec-98	10,550	10,550						(10,550)	(10,550)
10	Feast for the Eye	D	26-Sep-98	13-Dec-98	89,182	89,182						(89,182)	(89,182)
11	Logan Book Room (4 rotations each year)	L	01-Oct-98	ongoing	15,000	15,000						(15,000)	(15,000)
12	Picasso and the War (105)	L	10-Oct-98	03-Jan-99	666,489	691,489	120,000	203,050	NEA-$100K	445,350	591,500	(101,139)	103,061
13	Textile Rotation (114)	D	31-Oct-98	28-Feb-99	7,625	7,625	NEH - $98K, McCutcheon - $5K			300/hr = 138K Visitor 60% paid @ $5	331/hr = 163k visitors 60.5% paid @ $5	(7,625)	(7,625)
14	Reinstall Legion (1-4) (5/6 in May)	L	01-Nov-98	15-Nov-98	29,353	29,353						(29,353)	(29,353)
15	Fred Wilson Intervention (167)	D	01-Dec-98	02-May-98	24,990	24,990		8,000	LEF			(24,990)	(16,990)
16	Day Without Art	D	01-Dec-98		2,920	2,920						(2,920)	(2,920)
17	Recent Costume Acquisitions III	D	05-Dec-98	27-Jun-99	5,925	5,925						(5,925)	(5,925)
18	Arnold Genthe	D	19-Dec-98	21-Mar-99	16,740	16,740	16,740	16,740	Root			0	0
19	Impressionists In Winter (109)	YBG	30-Jan-99	03-May-99	916,800	920,800				1,607,518 350/hr = 220K Visitor 60% paid @ $12 Adults	1,093,000 225/hr = 144K Visitors 60% paid @ $12 Adults	690,718	172,200
20	A Grand Design: The Art of Victorie and Albert (181)	L	13-Feb-99	09-May-99	554,026	558,026		75,000	VISA	159,300 200/hr = 96K Visitors 60% paid @ $2.50	84,150 100/hr = 48K Visitors 60% paid @ $2.50	(394,726)	(398,876)
21	Anderson: Claes Oldenburg	L	06-Feb-99	25-Apr-99	15,050	15,050		11,000 1,000	Root Anderson			(15,050)	(4,050)

Continued...

Appendix "C" — Exhibition Program FY 1998-99

		v e n u e	(1) Runs		(2) Cost		(3) Gifts and Grants			(4) Income		(5) Nets	
					Original	Revised	Original	Revised		Original	Revised	Original	Revised
	In-House Exhibitions												
22	Bouquets to Art	L	01-Mar-98	01-Mar-98	-	-						0	0
23	Textile Rotation	D	27-Mar-99	31-Oct-99	7,625	7,625						(7,625)	(7,625)
24	Achenbach (36/37 TBA)	D	10-Apr-99	04-Jul-99	10,600	10,600						(10,600)	(10,600)
25	AOA rotation	D	15-Apr-99	ongoing	3,000	3,000						(3,000)	(3,000)
26	American Hall Cases	D	01-Apr-98	ongoing	6,550	6,550						(6,550)	(6,550)
27	A la Pintura: Motherwell (Andarson gallery 5)	L	01-May-99	25-Jul-99	15,050	15,050		15,000	Root			(15,050)	(50)
28	Youth Arts Festival	D	05-May-99	09-May-99	-	-						0	0
29	Francis Bacon (108)	L	13-Jun-99	02-Aug-99	205,541	225,541		35,000	Art Point			(205,541)	(190,541)
30	Saxe Collection	D	26-Jun-99	17-Oct-99	67,305	67,305	67,305	67,305	Root			0	0
31	Grants and Gifts To Be Raised						100,000	0				100,000	0
			Subtotal In-House Exhibits		2,977,598	2,990,573	334,877	462,927	-	2,212,168	1,766,650	(430,553)	(758,198)
	FAM Travelling Exhibitions												
32	Crown Point Press (142)		01-Jul-98		2,500	2,500				8,300	8,300	5,800	5,800
34	If the Shoe Fits		01-Dec-98									0	0
35	Ancient Glass from the Holy Land		01-Nov-98		16,663	16,663				35,000	35,000	18,337	18,337
36	Masters of Light - Utrecht										35,993	0	35,993
37	Larco - Peru										14,000	0	14,000
	Subtotal Traveling Tours				19,163	19,163	0	0		43,300	93,293	24,137	74,130
	Total In House and Traveling Exhibitions				2,996,761	3,009,736	334,877	462,927		2,255,468	1,861,943	(406,416)	(684,066)

ASSETS	
Cash	1,235
Cash Equivalents	4,454
Accounts Receivable	3,034
Prepaid Expenses	189
Note Receivable	100
Inventory - Store	1,082
Inventory - Publications	514
Investment in Bonds	700
Furniture & Equipment (Net)	273
	11,581

LIABILITIES & FUND BALANCES	
Accounts Payable	716
Other Accrued Liabilities	3,437
Deferred Income - Restricted	3,103
Deferred Income - Unrestricted	3,297
Fund Balances	
Unrestricted Fund	2,861
Plant Fund	(2,174)
Revenues over Expenses (Note 2)	341
	11,581

COFAM Reserve At 2/28/99	2,167

Note 1 -- Reserve Formula

Cash & Cash Equivalents	5,689
Bonds	700
Accounts Receivable	3,034
Less Accounts Payable	(716)
Less Other Accrued Liabilities	(3,437)
Less Deferred Income - Restricted	(3,103)
	2,167

Note 2 -- Revenues over Expenses

Operating Revenue over Expenses	349
Less Plant Fund	(342)
Plus Restricted Funds	334
Less Airport Fund	0
Surplus / (Deficit)	341

DOCENT COUNCIL

M.H. de YOUNG MEMORIAL MUSEUM

CALIFORNIA PALACE OF THE LEGION OF HONOR

ASIAN ART MUSEUM OF SAN FRANCISCO

Golden Gate Park
San Francisco, CA 94118
(415) 750-3638

RECEIVED
MAY 5 1999
DIRECTORS OFFICE

May 4, 1999

Harry S. Parker III, Director
Fine Arts Museums of San Francisco

Dear Harry:

The coming separation of the Docent Council on July 1, 1999 has necessitated a revision of our Bylaws. The enclosed new Bylaws of the FAMSF Docent Council contain name changes but no substantive changes in provisions. FAM Docents have approved the new Bylaws which will become effective on July 1.

Judy Gough advised me to send this document along to you since it should be approved by the Board of Trustees. Please let me know if anything else is needed.

Sincerely,

Mary Pat Cress

Mary Pat Cress
Chair

Enc.

DOCENT COUNCIL BYLAWS

Article I NAME

The name of this organization is the Docent Council of the the Fine Arts Museums of San Francisco, hereinafter referred to as the Docent Council. This organization is sponsored by the Fine Arts Museums of San Francisco (FAMSF).

Article II PURPOSE

The purpose of this volunteer organization is to provide trained Docents who give tours of the Museums' collections and special exhibitions and who provide appropriate services to the Museums in cooperation with the FAMSF Education Department.

Article III MEMBERSHIP

A. Admissions:

1. The Docent Council Board of Directors determines the criteria for admission to Docent Council training programs.

2. Participation in Docent Council training programs and whether or not a trainee achieves Docent status is solely at the discretion of the Docent Council Board of Directors.

B. Qualifications:

Admission is open to any FAMSF member who has successfully completed the requirements of the Docent training course as specified in the Standing Rules.

C. Requirements:

Members must fulfill the annual touring commitment after the training period, give satisfactory tours of the appropriate permanent collections or special exhibitions when applicable, be evaluated periodically, attend required lectures, and maintain membership in the FAMSF. The Membership Evaluation Committee (MEC) may recommend termination of Docent status to the Board of Directors. Continued membership is solely at the discretion of the Board of Directors.

D. Classifications:

1. Docent Status: A Docent who fullfills the requirements of membership is a member of the Docent Council. A Docent has one vote at all regular and special meetings of the Docent Council.

2. Supporting Status: Upon completion of Docent services for a minimum period of two years, a Docent may request Supporting status. A Supporting Docent must pay an annual fee to and maintain membership in the sponsoring FAMSF. She/he will receive relevant mailings and may participate in Docent activities and lectures, but may not give tours, vote, or hold office. With the approval of the MEC, and upon successful completion of requalifying tours, a Supporting Docent may be reinstated to Docent status.

3. Other: With the approval of the MEC, and upon successful completion of pertinent requalifying tours, a former Docent may return to Docent status.

E. Special Conditions:

1. A Docent who fullfills the training requirements of one area of touring may, after completing two years as a Docent, apply for training in a second area. A Docent entering training in a second touring area may remain active in the original touring area by continuing its annual tour requirement. If unable to fullfill this requirement, the Docent must resign from the original touring area.

2. A Docent may request from the MEC, a leave of absence for as many as six consecutive months or a total of six months during one fiscal year (July 1 to June 30). Under special circumstances the MEC may grant an additional six months' leave. If no such additional leave is granted, a Docent must request Supporting status. Docents granted a year's leave must requalify or go supporting.

3. A Docent who becomes a paid employee of FAMSF or the Docent Council must resign or become a Supporting Docent while so employed.

Article IV OFFICERS

A. The officers of the Docent Council consist of a Chair, Area Chairs, Secretary, and Treasurer.

B. Officers serve a term of two years and are not eligible to succeed themselves.

C. Duties:

1. The Chair is the administrative officer empowered to appoint committee chairs (with the exception of the Nominating Committee Chair, who is elected by the Board of Directors.) The Chair conducts meetings, pursues the business of the Docent Council and the Executive Board, appoints an Area Chair to fullfill the obligations of the office in the absence of the Chair, and represents the Docent Council at meetings of the FAMSF Board of Trustees.

2. The Area Chairs represent their respective areas of touring on the Board of Directors and assist the Chair in the conduct of Docent Council business. The Area Chairs call and preside at meetings to elect area representatives to the Nominating Committee.

3. The Secretary records the minutes of all meetings, compiles and maintains the monthly and annual statistics of the Docent Council, and assists with special assignments at the request of the Chair.

4. The Treasurer keeps accurate records of all Docent Council income and expenditures, and approves said expenditures.

Article V BOARD OF DIRECTORS

A. The Board of Directors is the governing body of the Docent Council and consists of the aforementioned officers and chairs of standing and special committees, all of whom are Docents in good standing. The meetings of the Board of Directors are open to all members of the Docent Council.

B. The Board of Directors conducts the business of the Docent Council, except the election of officers and amendments to the Bylaws; fills vacancies in the offices of Chair, Secretary, and Treasurer; elects the Chair of the Nominating Committee; and adopts, amends or revokes Standing Rules by a majority vote.

C. When a vacancy in the office of Area Chair occurs, the appropriate area board fills the position by appointment.

D. The officers constitute the Executive Board.

Article VI NOMINATIONS

A. The Nominating Committee consists of the following: a Chair elected by the Board of Directors and two Docent representatives from each area of touring who are elected to the Nominating Committee at meetings called by the Area Chairs by October 15 in the fiscal year of the election.

B. The Nominating Committee prepares a single slate of officers and presents its report in writing to the Board of Directors at their March meeting.

C. The Nominating Committee is responsible for the mailing of ballots of its report and an alternative slate, if any, to the membership no later than three weeks before the April Docent Council Board meeting.

D. Should an alternative slate be presented, it must be presented to the Executive Board in writing (with the permission of those nominated thereon) under the signature of six percent (6%) or more Docents from each touring area.

Article VII VOTING AND ELECTIONS

A. Voting is by official ballot and is allowed by mail.

B. Counting of the ballots precedes the April Docent Council Board meeting.

C. A majority of those voting elects the officers and/or approves other business. A minimum of twenty-five percent (25%) of the Docents must vote for the voting to be valid.

Article VIII MEETINGS

A. The Annual Meeting is held in May at which time new officers are installed.

B. Meetings of the general membership may be called by the Chair and may be called on written request to the Secretary of the Docent Council by a majority of the Board of Directors or by at least six percent (6%) of the Docents from each touring area..

C. The Board of Directors and the Executive Board meet at the call of the Chair.

D. Quorums at meetings consist of: one-fourth (1/4) of the members at general membership meetings, a majority of the members at Board of Directors meetings, and a majority of the members at the Executive Board meetings.

Article IX FUNDS

A. The Fine Arts Museums are the primary source of funding for the Docent Council.

B. The Docent Council budget is established by the Docent Council Board of Directors and referred to the FAMSF for approval.

C. The Docent Council may pursue outside funds.

D. Donations and gifts received by the Docent Council and so designated are maintained in appropriate special [FAMSF] COFAM accounts to be disbursed at the direction of the Board of Directors of the Docent Council. Art acquisitions will require the approval of the Acquisitions Committee of the Fine Arts Museums of San Francisco.*

E. The Chair of the Docent Council is authorized to spend up to $100 on any one project without prior approval of the Board of Directors.

Article X REVISIONS AND AMENDMENTS

Revisions and amendments to the Bylaws may be proposed by the Board of Directors. Such proposed amendments are approved by a two-thirds (2/3) vote of Docents voting, provided that a minimum of twenty-five percent (25%) of the Docents vote, and the proposed amendments have been mailed at least thirty (30) days prior to the vote count.

Article XI STANDING RULES

Standing Rules may be amended by a majority vote of the Docent Council Board of Directors.

Article XII RULES

The rules contained in the current edition of Robert's Rules of Order Newly Revised govern the Docent Council in all cases to which they are applicable and in which they are not inconsistent with these Bylaws and any special rules of order the Docent Council may adopt.

*Recommended amendment: Bold type, new language; deletion in [ ].

PC: rmb

CORPORATION OF THE FINE ARTS MUSEUMS

Executive Committee
Board of Trustees

May 13, 1999

Minutes

Call to Order

A meeting of the Executive Committee of the Board of Trustees of the Corporation of The Fine Arts Museums was held on Thursday, May 13, 1999, in the 6th Floor Conference Room of the Museums' Administrative Offices at 233 Post Street, San Francisco. A quorum being present, the meeting was called to order at 1:06 p.m. by Mrs. Alfred S. Wilsey, President. President Wilsey presided; Mrs. Gough acted as Secretary.

Roll Call

DOCUMENTS DEPT.

JUN 07 1999

SAN FRANCISCO
PUBLIC LIBRARY

Present:

Alvin H. Baum, Jr.
Charles Crocker
Richard P. Essey
Richard P. Finn, Vice President/Finance
J. Burgess Jamieson
Diane B. Lloyd-Butler, Vice President/Audience Development
Nion McEvoy
J. Alec Merriam, Vice President/Collections
Robert A. Mills
Mrs. Harry H. Wetzel
Mrs. Alfred S. Wilsey, Chairman

Excused:

Belva Davis
Mrs. Ray Dolby, Vice President/Annual Support
Ms. Frankie Jacobs Gillette, Vice President/Civic Affairs
Steven MacGregor Read, Vice President/Facilities

Other Trustees in Attendance:

Mrs. Ransom S. Cook
Richard W. Goss II
Mrs. William B. MacColl, Jr.

The following non-voting officers were present:

Harry S. Parker III, Chief Executive Officer
Steve Dykes, Treasurer
Judy Gough, Secretary

Report of the President - Mrs. Alfred S. Wilsey

A. Consideration and Possible Action to Approve the Minutes of the April 8, 1999 Annual Meeting of the Board of Trustees

The minutes of the April 8, 1999 annual meeting of the Board of Trustees, having been mailed in advance to all Trustees, were unanimously approved.

B. Report on the Campaign to Build a New de Young Museum in Golden Gate Park

1. Appointment of the Ad Hoc Public Campaign Committee to Build a New de Young Museum in Golden Gate Park

An inclusive public fund-raising campaign to build a new de Young Museum in Golden Gate Park will be officially launched at the October 14, 1999 meeting of the Board of Trustees. President Wilsey announced she will chair the Ad Hoc Public Campaign Committee to Build a New de Young Museum in Golden Gate Park comprised of the following members: Mrs. David P. Bancroft, Alvin H. Baum, Jr., Richard H. Finn, J. Burgess Jamieson, David M. Jamison, Mrs. Leonard E. Kingsley, and Leonard E. Kingsley. Members of the Ad Hoc Public Campaign Committee have been assigned areas of responsibility and will form sub-committees to accomplish their goals. The first meeting of the Ad Hoc Public Campaign Committee will be held on Monday, June 7, 1999.

C Report on the Conceptual Planning for a New de Young Museum in Golden Gate Park

On Monday, April 26, 1999, architect Pierre de Meuron, presented the work and design approach of Herzog & de Meuron Architeckten AG in the Trustees' Auditorium at the de Young Museum. His remarks were well received, in particular his thoughts concerning the opportunities presented by the de Young Museum project, such as the concept of integrating the Museum into the Park and vice versa. The Ad Hoc Conceptual Planning Committee for a New de Young Museum in Golden Gate Park has met with the architects on a monthly basis regarding the development of the conceptual plan to be presented at the June 10, 1999 meeting of the Board of Trustees.

D. Consideration and Possible Action to Adopt a Resolution Recommending to the Board of Trustees the Approval of a Statement of Need and Opportunity for a New de Young Museum in Golden Gate Park, Setting the Fund-Raising Goal, and Launching a Public Campaign to Build a New de Young Museum in Golden Gate Park in the Fall of 1999

Mr. Parker commented that this proposed resolution establishes that the Board of Trustees of the Corporation of The Fine Arts Museums accepts full and formal responsibility for raising the funds necessary to build a new de Young Museum in Golden Gate Park. He particularly noted his appended statement of need and opportunity for a new de Young Museum in Golden Gate Park. This statement not only officially states the need for a new de Young Museum for the record, but moves forward to recognize that what began as an obligation has become an opportunity to create a better de Young Museum with an impressive future.

As set forth in the statement of need and opportunity, the new de Young Museum will:

- integrate the Museum into the Park and the Park into the Museum, revitalizing the idea of the "Museum in the Park;"
- make the arts and education key partners in the overall renewal of Golden Gate Park;
- tell the story of the arts of the Americas as it's never been told before – as a dynamic collective narrative ranging from the ancient civilizations of Mesoamerica to contemporary America;
- connect San Francisco to the world through its diverse collections and important visiting exhibitions;
- affirm that art truly matters to all of us, as individuals and as communities;
- be a landmark American museum to honor the City's greatest strength, its diversity.

The following resolution was introduced:

WHEREAS, The Board of Trustees of the Fine Arts Museums of San Francisco at its meeting on October 15, 1998 reaffirmed its commitment to build a new de Young Museum in Golden Gate Park to protect the collections; visitors and staff from seismic hazards; and

WHEREAS, In the absence of City funding, The Board of Trustees has recognized that private funds must be utilized to pay for the conceptual planning costs of a new de Young Museum; and

WHEREAS, On January 14, 1999, Herzog and de Meuron Architekten AG was selected to develop a de Young Museum conceptual plan for presentation at the June 10, 1999 meeting of the Board of Trustees; and

D. **Consideration and Possible Action to Adopt a Resolution Recommending to the Board of Trustees the Approval of a Statement of Need and Opportunity for a New de Young Museum in Golden Gate Park, Setting the Fund-Raising Goal, and Launching a Public Campaign to Build a New de Young Museum in Golden Gate Park in the Fall of 1999 (continued)**

WHEREAS, The Director of Museums has submitted to the Executive Committee a Statement of Need and Opportunity setting forth the rationale and vision for a new de Young Museum in Golden Gate Park; and

WHEREAS, An Ad Hoc Public Campaign Committee has been appointed by the President of the Board of Trustees to assist in the effort to meet the fund raising goal of the Campaign to Build a New de Young Museum in Golden Gate Park; and

WHEREAS, The Ad Hoc Public Campaign Committee is charged with recommending the fund-raising goal and timetable for the Public Campaign to Build a New de Young Museum in Golden Gate Park to commence in the fall of 1999; now, therefore, be it

RESOLVED, That the Executive Committee does hereby endorse the Statement of Need and Opportunity submitted by the Director of Museums and further charges the Ad Hoc Public Campaign Committee with recommending a fund-raising goal and timetable for the Public Campaign to Build a New de Young Museum in Golden Gate Park to commence in the fall of 1999 to the Board of Trustees for approval at its June 10, 1999 meeting.

On motion, duly seconded, discussion ensued. The importance of a brief, focused message for use in the public fund-raising campaign was emphasized. It was suggested that excerpts from the statement of need and opportunity might serve this purpose. There was no further discussion among the Trustees or members of the public. The Executive Committee unanimously adopted the foregoing resolution as **Board Resolution 229.**

Report of the Chief Executive Officer - Harry S. Parker III

A. **Report on COFAM Operating Budget as of March 31, 1999**

At the request of Mr. Parker, Steve Dykes, Deputy Director for Administration and Finance, provided the COFAM Operating Budget report as of March 31, 1999. Cumulative nine month operating results were $349,000 – good but $192,000 off budget, owing to the *Impressionist* show drawing 61% of budgeted visitors. At March 31, 1999, the reserve stood at $2,167,000; Board policy requires at least $2 million.

A. Report on COFAM Operating Budget as of March 31, 1999 (continued)

The March 10, 1999 rolling forecast included in this report takes into account that although both the *Impressionists* and *Victoria & Albert* exhibits were well-received, they did not meet attendance and revenue expectations. Mr. Parker then reviewed the Exhibitions Preliminary Income Statement, which was presented to the Budget Committee at its meeting earlier today. The first close results for the *Picasso, Impressionists* and *Victoria and Albert* exhibitions indicate a $992,000 negative variance from budget as follows:

	Picasso	*Impressionists*	*Victoria & Albert*	Total
Hourly Attendance	331	216	130	--
Original Budget Net	$ 44,000	$1,096,000	($399,000)	$741,000
First Close Net	$ 49,000	$ 192,000	($492,000)	($251,000)
Variance	$ 5,000	($ 904,000)	($ 93,000)	($992,000)

Mr. Parker advised that the first close results are further complicated by the fact that the number of *Impressionists* catalogues was purchased to meet a much larger attendance. Most likely, a decision will be made to write-off this surplus inventory during the current fiscal year. In the last seven weeks of the fiscal year, every effort is being made to maximize contributions and revenues while expenses are being kept as low as possible.

Total resources (support and revenue) were off $515,000 from the original budget. Support ran $153,000 ahead of budget, but revenues lagged by $668,000 with shortfalls in exhibit-driven lines such as the stores and exhibit program earned income. Benefit income was marked down earlier in the year when no plans were forthcoming for a spring event. Development trip fees will be recouped by the June Associates' trip, which the original budget assumed would occur earlier.

Total expenses were $322,000 below budget. Personnel expenses continued to trail budget – by $238,000 at the end of March. A hiring freeze is beginning to increase personnel savings. The result of budget versus actual expense timing, as well as cuts, brought other expenses in $84,000 lower than the budget plan.

B. Status Report on COFAM Early Retirement Plan Offer

Forty-two COFAM employees are eligible for the early retirement plan offer having reached the age of fifty and completed a minimum of five years of service. Meetings with \ affected staff members are being held. It is anticipated that perhaps ten to twelve employees may accept the early retirement plan offer. The offer needs to be accepted by June 15, 1999 with retirement effective July 1, 1999. Payroll savings in fiscal year 1999-2000 can be achieved provided the positions remain vacant.

C. Consideration and Possible Action to Adopt a Resolution Increasing the Endowment Fund Distribution Rate for Operating Budget Support to 5% from 4% for Fiscal Year 1999-2000

Mr. Parker reported that the Budget Committee continues to identify ways to minimize the projected deficit of as much as $11 to $13 million over the next five year period. At its meeting earlier today, the Budget Committee voted to recommend increasing the endowment fund distribution rate for operating budget support to 4.5% from 4% for fiscal year 1999-2000. This proposed .5% increase in the endowment fund distribution would result in an additional $363,000 to the fiscal year 1999-2000 operating budget and would require the approval of the Board of Trustees of The Fine Arts Museums Foundation.

The Executive Committee concurred that the endowment fund distribution rate should be increased to 5% rather than the originally proposed 4.5% increase for the 1999-2000 fiscal year. The following resolution was amended accordingly:

> WHEREAS, In June 1997, the Federal Council on the Arts and and Humanities withdrew indemnification for international art exhibitions at the M. H. de Young Memorial Museum, citing that the risk to the United States Treasury was too great given the building's current seismic condition; and
>
> WHEREAS, At its meetings on September 10, 1998 and October 15, 1998, the Executive Committee and the Board of Trustees, respectively, reviewed the economic implications of the withdrawal of indemnification insurance for temporary exhibitions at the de Young Museum as set forth in operating budget projections for the next five years; and
>
> WHEREAS, The operating budget projections reflect the quantification of the economic reality of a five year cumulative operating deficit of as much as $11 to $13 million; and

C. Consideration and Possible Action to Adopt a Resolution Increasing the Endowment Fund Distribution Rate for Operating Budget Support to 5% from 4% for Fiscal Year 1999-2000 (continued)

WHEREAS, The Museums' Budget Committee is evaluating every means to reduce and eliminate the projected deficits; and

WHEREAS, Temporarily increasing The Fine Arts Museums Foundation endowment fund distribution rate in support of COFAM operations would be a valuable contribution to deficit-reducing efforts; now, therefore, be it

RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museums does hereby request the Board of Trustees of The Fine Arts Museums Foundation to increase the endowment fund distribution rate for fiscal year 1999-2000 to 5% from 4%.

On motion, duly seconded, there was no further discussion. The Executive Committee voted unanimously to adopt the above resolution as **Board Resolution 230.**

D. Consideration and Possible Action to Adopt a Resolution Increasing Certain Annual Membership Fees According to the Following Schedule at the Fine Arts Museums of San Francisco

The Budget Committee has also recommended increasing certain annual membership fees at the Fine Arts Museums as another means of minimizing the projected operating deficits for the next five fiscal years. Mr. Parker advised that annual fees for the Participating, Family, and Contributing categories of membership have not been increased in over seven years and are, in general, lower than current membership fees for other major San Francisco museums. Existing members may renew at present membership rates through December 31, 1999 with new members subject to the increased rates as of July 1, 1999. Although ten to twenty percent of the current membership may elect to not renew at the increased rates, a significant net gain is anticipated in succeeding years.

The following resolution was introduced:

WHEREAS, Annual fees for the Participating, Family, and Contributing categories of membership at the Fine Arts Museums of San Francisco have not been increased in over seven years and are, in general, lower than prevailing membership fees for major San Francisco museums; and

WHEREAS, Membership fees are an important revenue source to support the Museums' programs; now, therefore, be it

D. Consideration and Possible Action to Adopt a Resolution Increasing Certain Annual Membership Fees According to the Following Schedule at the Fine Arts Museums of San Francisco (continued)

RESOLVED, That the Executive Committee of the Board of Trustees does hereby approve an increase in annual membership fees for the following categories of membership effective July 1, 1999 for new memberships with existing memberships renewable at present membership fee rates through December 31, 1999:

Membership Category	Current Fees	Proposed Fees
Participating	$50	$60
Family	$60	$70
Contributing	$100	$125

On motion, duly seconded, there was no further discussion among Trustees. The Executive Committee voted unanimously to adopt the above resolution as **Board Resolution 231.**

E. Consideration and Possible Action to Adopt a Resolution Authorizing the Establishment of the Nancy Van Norman Baer Fund

Nancy Van Norman Baer served as Curator of Theater and Dance at the Fine Arts Museums from 1978 until her death in 1998. Contributions in excess of $22,000 have been received in her memory. Alan Baer has requested the establishment of an ongoing, restricted fund in memory of his wife. Mr. Parker presented the following resolution:

WHEREAS, Nancy Van Norman Baer served as Curator of Theater and Dance at the Fine Arts Museums of San Francisco from 1978 until her death in 1998; and

WHEREAS, More than $22,000 in gifts has been received in memory of Nancy Van Norman Baer, a testament to the deep affection so many held for her; and

WHEREAS, Alan Baer, husband of Nancy Van Norman Baer, wishes to establish the Nancy Van Norman Fund in her memory having committed to its continued future growth, and has requested the transfer of more than $22,000 in memorial gifts to the proposed Fund; now, therefore, be it

E. Consideration and Possible Action to Adopt a Resolution Authorizing the Establishment of the Nancy Van Norman Baer Fund (continued)

RESOLVED, That the Executive Committee of the Board of Trustees at its May 13, 1999 meeting does hereby request The Fine Arts Museums Foundation to establish the Nancy Van Norman Baer Fund at the request of Alan Baer recognizing his commitment to its continued future growth, and to the transfer of more than $22,000 in memorial gifts to the Fund.

On motion, duly seconded, there was no further discussion among Trustees. The Executive Committee voted unanimously to adopt the above resolution as **Board Resolution 232.**

F. Consideration and Possible Action to Adopt a Resolution to Request The Fine Arts Museums Foundation to Establish an Endowment Fund Entitled the Dr. Leland A. Barber and Gladys K. Barber Fund

Mr. Parker advised that decedent Gladys K. Barber had named the Corporation of The Fine Arts Museums as a beneficiary to establish the Dr. Leland A. Barber and Gladys K. Barber Fund, the income from which is to be used for augmenting and/or maintaining the American arts collection. On April 30, 1999, a major distribution of $2,007,176 from the Estate of Gladys K. Barber was received. A final distribution of up to $36,000 will be received in about eighteen months from the Estate's reserve.

The following resolution establishing the Dr. Leland A. Barber and Gladys K. Barber Endowed Fund was presented:

WHEREAS, In early June 1998, George S. Youngling, attorney representing the Estate of Gladys K. Barber, informed the Corporation of The Fine Arts Museums that decedent Gladys K. Barber had named the Corporation of The Fine Arts Museums as a beneficiary to establish the Dr. Leland A. Barber and Gladys K. Barber Fund, the income from which shall be used by the museum for augmenting and/or maintaining (such as reframing, reupholstering, etc.) the American arts collection of the museum; and

WHEREAS, A major distribution from the Estate of Gladys K. Barber in the amount of $2,007,176.58 was received on April 30, 1999; now, therefore, be it

RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museum does hereby request The Fine Arts Museums Foundation to establish and manage the Dr. Leland A. Barber and Gladys K. Barber Fund as an endowed fund of the Foundation for the exclusive benefit of the Fine Arts Museums in accordance with the bequest from Gladys K. Barber; and, be it

F. Consideration and Possible Action to Adopt a Resolution to Request The Fine Arts Museums Foundation to Establish an Endowment Fund Entitled the Dr. Leland A. Barber and Gladys K. Barber Fund (continued)

FURTHER RESOLVED, That the Board of Trustees of the Corporation of the Fine Arts Museums expresses sincere gratitude to decedent Gladys K. Barber for her extraordinary generosity in support of the Fine Arts Museums of San Francisco.

On motion, duly seconded, there was no further discussion among Trustees. The Executive Committee voted unanimously to adopt the above resolution as **Board Resolution 233.**

G. Consideration and Possible Action to Adopt a Resolution to Designate the Proceeds from the Estate of Paula Fortune to Unrestricted Art Acquisitions

Mr. Parker introduced the following resolution, which would designate the $25,000 in proceeds received from the Estate of Paul Fortune to unrestricted art acquisition:

WHEREAS, On April 8, 1998, Peter E. Lippett, attorney representing the Estate of Paula Fortune, informed the Museums that decedent Paula Fortune had named the M. H. de Young Memorial Museum as a beneficiary to receive $25,000; and

WHEREAS, On March 30, 1999, a distribution of $25,000 was received by the Fine Arts Museums of San Francisco; and

WHEREAS, The Director of Museums recommended the disposition of the proceeds for unrestricted art acquisition; now, therefore, be it

RESOLVED, That the Executive Committee of the Board of Trustees does hereby restrict the proceeds from the Estate of Paula Fortune for unrestricted art acquisition.

On motion, duly seconded, there was no further discussion among Trustees. The Executive Committee voted unanimously to adopt the above resolution as **Board Resolution 234.**

H. Consideration and Possible Action to Approve the Revised Bylaws of the Docent Council of the Fine Arts Museums of San Francisco

The separation of The Docent Council of the Asian Art Museum and the Fine Arts Museums into two entities on July 1, 1999 has necessitated the submission of revised Bylaws for The Docent Council of the Fine Arts Museums of San Francisco. Essentially, the revisions pertain to the organizational change; there are no substantive amendments. Mr. Parker noted that the Bylaws contain a provision allowing for donations and gifts received by the Docent Council to be maintained in appropriate COFAM accounts to be disbursed at the direction of the Board of Directors of the Docent Council. New language has been added, which clarifies that art acquisitions will require the approval of the Acquisitions Committee of the Fine Arts Museums. The revised Bylaws of The Docent Council of the Fine Arts Museums of San Francisco were unanimously approved.

Report of the Budget Committee - Richard H. Finn, Chair and Vice President of Finance

A. Consideration and Possible Action to Adopt a Resolution for a Balanced 1999-2000 Operating Budget

Trustee Finn presented the following resolution recommended by the Budget Committee, which calls for a balanced 1999-2000 operating budget:

WHEREAS, The Board of Trustees of the Corporation of The Fine Arts Museums (COFAM) is strongly committed to the policy of achieving a balanced operating budget in every fiscal year; and

WHEREAS, Balanced budgets are key to the financial stability of the Museums and to the sound management of its resources; and

WHEREAS, A balanced operating budget has been achieved in all of COFAM's previous fiscal years; now, therefore, be it

RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museums continues to endorse the fundamental financial policy of balanced operating budgets which includes plant fund depreciation; and, be it

FURTHER RESOLVED, That COFAM's Chief Executive Officer is instructed to take the necessary actions to carry out the balanced operating budget policy in FY 1999-2000 and in succeeding years.

On motion, duly seconded, there was no further discussion among Trustees. The Executive Committee voted unanimously to adopt the above resolution as **Board Resolution 235.**

Report of the Audience Development and Marketing Committee - Diane B. Lloyd-Butler, Chair and Vice President

At the request of Trustee Lloyd-Butler, Pamela McDonald, Director of Audience Development and Civic Affairs, provided a report of a recent survey of 1,800 visitors to the de Young Museum, the Legion of Honor, and the Center for the Arts at Yerba Buena Gardens. Several key findings were presented. Two-thirds of those attending the *Impressionist* exhibition visited Yerba Buena Center for the first time. The Yerba Buena Center venue attracted a new audience for the Museums, who expressed willingness to visit Yerba Buena Center again. The survey also indicated that the Legion of Honor and Yerba Buena Center attracted a much higher number of regional visitors than the de Young Museum. Most likely, this development is due to the absence of international art exhibitions at the de Young Museum. Visitors to the Legion of Honor reported significantly greater satisfaction and enthusiasm than prior surveys.

Trustee Lloyd-Butler announced that David Resnicow of Resnicow Schroeder Associates, Inc., New York City, and Carolyn MacMillan of the Corsi Agency in San Francisco have been retained to provide public relations counsel for the new de Young Museum. Ms. MacMillan was formerly with the California Academy of Sciences and the Port of San Francisco. Mr. Resnicow assisted with the opening of the Legion of Honor and the Dallas Museum of Art.

Report of the Annual Support Committee - Barbara Boucke, Deputy Director for Development, for Mrs. Ray Dolby, Chair and Vice President

In the absence of Trustee Dolby, Barbara Boucke, Deputy Director for Development reported that the annual fund-raising campaign reached $2 million at the end of April. Every effort is being made to raise $600,000 more by fiscal year end on June 30th to meet the FY 1998-99 fund-raising goal. In addition, a fund-raising brochure for the Fall 1999 public campaign for a new de Young Museum is presently being developed.

Report of the Fine Arts Museums Foundation - Charles Crocker, President

In the absence of Trustee Crocker, Trustee Stimson presented the Endowment Fund Report. At the close of business on May 7, 1999, the endowment portfolio was valued at $73,101,256. It was invested 60.69% in equities, 34.96% in fixed income, and 4.35% in cash and cash equivalents.

Adjournment - Mrs. Alfred S. Wilsey, President

There being no further business, the meeting was adjourned at 1:55 p.m.

Respectfully submitted,

Judy Gough
Executive Secretary
Museums

FINE ARTS
MUSEUMS
of SAN FRANCISCO

Office of the Director
California Palace of the Legion of Honor
M.H. de Young Memorial Museum

MEMO

To: Board of Trustees
From: Harry S. Parker III
Re: Opportunity for a New de Young Museum in Golden Gate Park

> *"We do not claim today to offer for your criticism a great, full-fledged museum... it was determined to create a nucleus of what someday would be a great museum."*
>
> – March 21, 1895, M.H. de Young at the opening of the Memorial Museum

Today the de Young *is* a great American art museum.

It holds a central place in the cultural life of our community: as the principal collector, steward and exhibitor of some of the City's most important art collections, a center for art education and cultural awareness in the city and the region, and, until recently, the dominant special exhibition center in the west. But where the de Young as an institution has evolved, maturing deliberately into each of these roles, the physical museum has been cobbled together. As an institution we have found our mission as the City's art museum, but the ramshackle complex of seismically and functionally inadequate structures that comprise the current de Young facility must be replaced if we are to pursue this mission successfully into the next century. Our de Young Museum is strong in spirit, but in desperate and immediate need of a new home.

One hundred and five years ago Michael de Young asked the people of San Francisco to accept a series of buildings in the process of becoming a museum. Now we need a new facility for the exceptional museum we've become. We are not building a new de Young out of nostalgia for the old. Instead, we are building the de Young a new home to fully realize and nourish the strengths and traditions that make our institution so vital: diverse collections, imaginative programs and a broad community of people who care deeply about culture in San Francisco.

Just a few years ago, the board turned the necessity of retrofitting the Legion of Honor into an occasion for the rejuvenation of the museum. Now the time has come to turn our energies to the de Young.

What began as an obligation has become an opportunity.

Administrative Offices
233 Post Street, San Francisco, CA 94108-5003
tel: 415.750.3661 fax: 415.750.7686

A Storied Past, A Bright Future

The Museum in the Park

Over the last one hundred years, the de Young, the Academy, the Tea Garden, the Conservatory and Strybring Arboretum have helped turn the park into one of the richest and most vibrant urban oases in the world. These institutions, including the de Young have become integral to San Franciscans' idea of what Golden Gate Park is for: nature, recreation *and* culture. According to The San Francisco Partnership for Parks' 1998 report, for example, 73% of Bay Area residents polled would rather visit the de Young Museum and the Academy of Sciences in Golden Gate Park than downtown.

Recently, San Franciscans have also come to realize that these institutions play another important role in the park. They help anchor public attention and resources: both of which are critical to making the park safe and clean for all San Franciscans. As the San Francisco Museum of Modern Art and Pacific Bell Park have consolidated the city's crusade for urban renewal south of Market, so the new de Young, along with renovations of the Academy and Conservatory, will serve to rejuvenate Golden Gate Park. The new park-friendly de Young is designed specifically to revitalize the idea of the "museum in the park." The new design harmonizes the de Young with the concourse and the park as effectively as SFMOMA's building suits the downtown.

Finally, the unique environment that now exists in the park, with the blending of nature and culture, has made it a centerpiece of the city's educational infrastructure. The same San Francisco Partnership for Parks report found that "educators expressed a nearly unanimous preference for the Golden Gate Park location [for the de Young and the Academy]." Today we have made it a civic value to unite nature and culture in Golden Gate Park because we know that it is critical to our children's education and our quality of life.

Golden Gate Park will always be subject to competing priorities, budgetary constraints, enthusiastic use and, inevitably, natural disaster. The new de Young will be a positive and stabilizing force in and for the park.

Bringing the World to San Francisco

From its beginnings in the California Midwinter Exposition, the de Young has connected San Francisco to the world, and our city's communities to each other, through its collections, exhibitions and programs.

Collections
The de Young's collections have come a long way from the days when they consisted of "23,000 stuffed birds, and eggs of every biped that ever had wings," a German World War I battle plane and the skin of a flying squirrel. Today, the de Young houses outstanding collections of Arts of the Americas, textiles, and art from Oceania and

Africa. Over the years, the de Young has built these collections through gift, bequest and purchase.

These prestigious collections have come to San Francisco because the de Young has always inspired confidence in donors wanting to invest their collections on behalf of the people of the western United States. A new de Young is, perhaps, the best investment we will ever make in collection development for the future. As we have seen with SFMOMA, new museums are magnets for new collections. Only a new building will ensure that the de Young remains *the* place where prominent national collections find a home on the west coast.

In addition to being a stronger lure for new collections and a safer and more hospitable home for the City's art, a new de Young will enable us to use the collections to make a progressive and compelling case for an integrated portrayal of the arts of the Americas as a dynamic collective narrative ranging from the ancient civilizations of Mesoamerica to contemporary America.

Exhibitions

The de Young has been a leader and model for the international rise of the special exhibition, beginning with the spectacular success of the California Midwinter Exposition and its successors the Panama-Pacific International Exposition (1915) and the Golden Gate International Exposition (1939-40) and continuing through every decade of this century right up to the exhibitions we are still familiar with today. From The Treasures of Tutankhamun (1979) to The New Painting: Impressionism (1986), and Teotihuacan: City of the Gods (1993), the de Young's exhibition program has been San Francisco's window on the world. De Young exhibitions have supported the careers of great California artists such as Wayne Thiebaud and Richard Diebenkorn, revived and stimulated interest in ancient and native cultures, and nourished the public's interest in archaeology, history and art.

Major traveling exhibitions are the world's premier vehicles for cross-cultural dialogue and one of the engines of the cultural tourism so important to San Francisco's economic well-being. The de Young has excelled in organizing and drawing the most compelling and meaningful of these shows. In this it has always reflected the uniquely inquisitive, discerning and diverse nature of San Francisco and its citizens.

Programs

Public education and enrichment is the reason that museums, including the de Young, were created. For decades the de Young has been at the forefront of the movement among American museums to educate the public through art. Our educational and community programs are among the most progressive, the most accomplished and the most comprehensive in the country: Free School Tours, Doing & Viewing Art, the Museum Ambassador Program, Poets-in-the-Galleries, the Education Resource Center, Gallery One, classes and workshops for high school students, college students and teachers, community lectures and tours, Big Kids/Little Kids. On the other side of the spectrum, the Museum's community-based exhibition planning committees have broken

new ground in using the Museum's exhibition program to strengthen the ties between the Museum and the communities we serve.

Taken together these programs have earned the de Young recognition as a national leader in arts education and community outreach. It is no accident that every 5th grader in the city visits the de Young as part of their curriculum. A new de Young is essential to ensuring that we will continue to be a leader among museums in serving the educational needs of our constituencies.

Our Common Ground

The traditional view of the role museums play in society relates primarily to preserving our cultural heritage, with "our," not deliberately but almost inevitably, relating to whoever founded the museum, and "heritage" meaning whatever was most important to them. Through accident of birth and the unique spirit of San Francisco, the de Young is different. It wasn't built to house someone's collection, or collect a particular kind of art or artifact or to teach the public the value of a certain aesthetic over another. It was born out of the idea that San Francisco and its citizens should engage the world. And even though the de Young has left the "cabinet-of-curiosities" model behind and become home to the City's art, it retains a unique sense of wonder and openness, and an all-inclusiveness it had when it was still the City's "attic."

The de Young Museum tradition is the belief that the City needs a common ground where— through art—the usual boundaries that separate us from each other: culture, creed, race and all the others, become bridges that connect us. In the new de Young, this unique character, this remarkable tradition, this uncompromising dedication to access will be integrated into the very structure of the building itself.

A Summary Case for the New De Young

The new de Young will:

- integrate the museum into the park and the park into the museum, revitalizing the idea of the "museum in the park";
- make the arts and education key partners in the overall renewal of Golden Gate Park;
- tell the story of the arts of the Americas as it's never been told before – as a dynamic collective narrative ranging from the ancient civilizations of Mesoamerica to contemporary America;
- connect San Francisco to the world through its diverse collections and important visiting exhibitions;
- affirm that art truly matters to all of us, as individuals and as communities;
- be a landmark American museum to honor the City's greatest strength, its diversity.

The new de Young will serve as a model for how museums can better integrate diverse collections, facilitate the crossing of boundaries that have traditionally kept art compartmentalized in rigid categories, and allow for the greatest understanding of our pluralism. It will be the ideal blend of the museum's rich traditions and progressive ideas. Its distinctive identity will be reflected in the uniqueness of its exhibitions and programs, as well as the building itself—the hallmark of all great museums.

Our vision for this new de Young will secure a lasting legacy for San Francisco and the hundreds of thousands of visitors the Museum attracts each year. It will not be long before everyone will be able to look out from the tower of the new de Young, to all parts of the city: to Lincoln Park and Golden Gate Bridge, to downtown and the financial district, Mount Sutro and the Mission, and to Ocean Beach and the Avenues and get the full sense that their visit to the de Young has brought them into the heart of San Francisco.

FINE ARTS MUSEUMS of SAN FRANCISCO

Board of Trustees
California Palace of the Legion of Honor
M.H. de Young Memorial Museum

0.254

9/99

OFFICIAL MEETING NOTICE

Corporation of The Fine Arts Museums
Executive Committee of the Board of Trustees

Thursday, September 9, 1999
12:30 P.M.[1]
Administrative Offices
233 Post Street, 6th Floor Conference Room
San Francisco, California

AGENDA

I. Call to Order - Mrs. Alfred S. Wilsey, President

II. Calling of the Roll

DOCUMENTS DEPT.
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Trustees:

Alvin H. Baum, Jr.
Charles Crocker
Belva Davis
Mrs. Ray Dolby, Vice President/Annual Support
Richard P. Essey
Richard H. Finn, Vice President/Finance
Ms. Frankie Jacobs Gillette, Vice President/Civic Affairs
J. Burgess Jamieson
Diane B. Lloyd-Butler, Vice President/Audience Development
J. Alec Merriam, Vice President/Collections
Nion T. McEvoy
Robert A. Mills
Steven MacGregor Read, Vice President/Facilities
Mrs. Harry H. Wetzel
Mrs. Alfred S. Wilsey, President

[1]Or such earlier time as the meeting of the Executive Committee of the Board of Trustees of the Fine Arts Museums of San Francisco ends, but in no event before 12:30 p.m.

III. Report of the President - Mrs. Alfred S. Wilsey

A. Consideration and Possible Action to Approve the Minutes of the June 10, 1999 Meeting of the Board of Trustees (See Appendix A)

B. Report on the Public Campaign to Build a New de Young Museum in Golden Gate Park

C. Report on the Conceptual Planning for a New de Young Museum in Golden Gate Park

1. Consideration and Possible Action to Adopt a Resolution Recommending to the Board of Trustees of the Corporation of The Fine Arts Museums that Herzog & de Meuron Architekten AG in Association with Fong & Chan Architects Proceed with the Design and Engineering of a New de Young Museum in Golden Gate Park and that the President of the Board of Trustees and Chief Executive Officer Are Authorized to Take All Necessary Steps to Implement and Expedite the Design and Engineering of a New de Young Museum in Golden Gate Park, including the Expenditure of Funds, Execution of Necessary Agreements, Commencement of the Environmental Review Process, and the Initiation of Review by Public Agencies as Required (To Be Distributed)

D. Cancellation of November 11, 1999 Meeting of the Executive Committee of the Board of Trustees

E. Other Informational Items

IV. Report of the Chief Executive Officer - Harry S. Parker III

A. Report on the Increase in the Endowment Fund Distribution Rate for Operating Budget Support for Fiscal Year 1999-2000 from 4% to 4.5%

B. Consideration and Possible Action to Adopt a Resolution to Designate the Proceeds from the Allan M. and Marilynn Lee Trust to Unrestricted Art Acquisition

WHEREAS, On December 30, 1998, Fred Hartwick, Senior Associate Director of Planned Giving at Stanford University, informed the Museums that Allan M. and Marilynn Lee had named the Fine Arts Museums of San Francisco as a beneficiary to receive a $5,000 unrestricted bequest; and

B. Consideration and Possible Action to Adopt a Resolution to Designate the Proceeds from the Allan M. and Marilynn Lee Trust to Unrestricted Art Acquisition (continued)

WHEREAS, On July 6, 1999, a distribution of $5,000 was received by the Fine Arts Museums of San Francisco; and

WHEREAS, The Director of Museums recommended the disposition of the proceeds for unrestricted art acquisition; now, therefore, be it

RESOLVED, That the Executive Committee of the Board of Trustees does hereby restrict the proceeds from the Allan M. and Marilynn Lee Trust for unrestricted art acquisition.

C. Consideration and Possible Action to Adopt a Resolution to Designate the Proceeds from the Mildred Landstrom Estate to Unrestricted Art Acquisition

WHEREAS, On August 17, 1995, John E. Sears, attorney representing the Estate of Mildred Landstrom, informed the Museums that Mildred Landstrom had named the Fine Arts Museums of San Francisco as a beneficiary; and

WHEREAS, On September 24, 1999, a preliminary distribution of $7,302.66 was received by the Fine Arts Museums of San Francisco; and

WHEREAS, At its meeting on November 22, 1996, the Acquisitions Committee approved the use of the preliminary distribution to purchase, in part, a painting by Taneyuki Dan Harada, Barracks: Topaz with the understanding that the second, future distribution would complete the funding of this painting; and

WHEREAS, A second distribution in the amount of $12,000.00 was received by the Fine Arts Museums of San Francisco on July 13, 1999; and

WHEREAS, The Director of Museums has recommended the disposition of the proceeds to complete the funding of the Harada painting as approved by the Acquisitions Committee on November 22, 1996 with the remaining $9,300 of the second distribution allocated for unrestricted art acquisition; now, therefore, be it

RESOLVED, That the Executive Committee of the Board of Trustees does hereby restrict the proceeds from the Mildred Landstrom Estate for unrestricted art acquisition as stated above.

D. Consideration and Possible Action to Adopt a Resolution Authorizing the Opening of an Account at Vanguard Funds

RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museums does hereby authorize the Treasurer and Controller of the Corporation to open an account in the name of the Corporation at the firm of Vanguard Funds, for the sole purpose of receiving and selling gifted shares of funds to this Corporation; and be it

FURTHER RESOLVED, That this account remains in full force until rescinded or modified by this Board.

E. Consideration and Possible Action to Adopt a Resolution Covering the Transfer of Shares at Vanguard Funds

RESOLVED, That any one of the following officers and employees of the Corporation of The Fine Arts Museums, to wit:

Harry S. Parker III, Chief Executive Officer
Stephen E. Dykes, Treasurer
Barbara Boucke, Deputy Director for Development
Robert M. Cullison, Controller

and he/she is authorized to sell, assign, transfer or dispose of any shares, or other securities now or hereafter owned or held by the Corporation at Vanguard Funds; and be it

FURTHER RESOLVED, That any Transfer Agent, Registrar or issuer of funds to whom a copy of this resolution shall be delivered may rely upon this resolution until such time as written notice of any change, amendment or cancellation thereof shall have been received by such Transfer Agent, Registrar or issuer of funds.

F. Consideration and Possible Action to Approve the Amended Operating Guidelines of the San Francisco Ceramic Circle (See Appendix B)

G. Consideration and Possible Action to Approve the Amended Articles of Association for the Volunteer Council (See Appendix C)

H. Other Informational Items

V. Report of the Budget Committee - Richard H. Finn, Vice President and Chair

A. Report on Pre-audited COFAM Operating Budget for Fiscal Year Ended June 30, 1999 (To Be Distributed)

B. Report on Fiscal Year 1999-2000 Operating Budget

VI. Report of the Annual Support Committee - Mrs. Ray Dolby, Vice President and Chair

VII. Report of the Fine Arts Museums Foundation - Charles Crocker, President

VIII. Adjournment - Mrs. Alfred S. Wilsey, President

San Francisco Ceramic Circle
P.O. Box 15163 • San Francisco, CA 94115

Harry S. Parker III
Director, Fine Arts Museums of San Francisco
233 Post Street, 6th Floor
San Francisco, CA 94108-5003

7th June 1999

Dear Mr. Parker

Attached are amended guidelines for the Council of the San Francisco Ceramic Circle for ratification by the Fine Arts Museums of San Francisco.

The only substantial change from current operating guidelines is to move the annual general meeting from January to July. This was approved by vote of the S.F.C.C. Board at the meeting on 20th May 1999. The reasons for making this change are fourfold:

1) The S.F.C.C. fiscal year ends on the 30th June. Moving the AGM to July will enable the board to make a timely report to the membership of financial results for the year and present a budget for the coming year.

2) S.F.C.C. annual membership renewal runs from January 1st through March 31st. By moving the AGM to July the Board will be able to report membership accurately instead of an estimate based on anticipated renewals.

3) Every other year the S.F.C.C. holds a 2 day Seminar in January. This is an event for which an admission charge is made. As a matter of policy the AGM should be open to all members without charge so the S.F.C.C. has usually slipped the AGM to February on "seminar" years. Moving the AGM to July will take care of this scheduling conflict.

4) The July meeting of the S.F.C.C. is informal with no scheduled lecture. Moving the AGM to July will enable the membership more time for discussion of S.F.C.C. matters without the time restrictions imposed by a formal lecture.

The guidelines have also been reformatted to reduce the document from 13 pages

(over)

to 3 double sided sheets (without change of content) and some additions made to the text. There is a working text with the changes italicized and highlighted and a clean copy of the new text.

The following guide will facilitate review of the modifications:

Paragraph II page 1: " Purposes"

Added: "and to operate the Ceramic Study Center 2 days/week" This reflects what the S.F.C.C. has been doing for well over a year and formally adds this to the list of purposes of the S.F.C.C.

Paragraph IV Section 2 page 2 "Annual Meeting"

Changed: January to July.....(This moves the AGM to July)

Paragraph V Section 10 page 3 "Nomination of Board Members"

Changed: November to March.....(This moves the appointment of the nominating committee to a time appropriate for the presentation of a list of candidates to the membership for election to the S.F.C.C. Board at the July AGM.

Paragraph X Section 1 page 6 "Fund Raising Events"

Added: A title "Fund Raising Events".....omitted in the original guidelines.

Paragraph X Section 2 page 6 "Endowment Fund Solicitation"

Added: A title "Endowment Fund Solicitation".....omitted in the original guidelines.

Colin Knight

Colin Knight

President, San Francisco Ceramic Circle

FINE ARTS MUSEUMS of SAN FRANCISCO

Volunteer Council
California Palace of the Legion of Honor
M.H. de Young Memorial Museum

RECEIVED
JUL 22 1999
DIRECTORS OFFICE

July 22, 1999

Harry S. Parker III, Director
Fine Arts Museums of San Francisco

Dear Harry:

The Articles of Association for the Volunteer Council have not been revised since October 1992. We now request six (6) changes to these Articles:

1. Per Article VI, Section 1, Paragraph E,1, we now have twelve (12) meetings per year; we would like to reduce this number to six (6), not having less than five (5) per year. Much of the actual work done by the Steering Committee occurs on the individual subcommittees. Reducing the number of general meetings would allow the subcommittees more time to meet, do their work, and then report to the full Steering Committee.
2. Per Article VI, Section 1, Paragraph E,2, a Steering Committee member is allowed to miss three (3) meetings per year. If we reduce the number of meetings to six (6), this number should be changed, allowing members to be absent twice per year. Nine (9) would now be considered a quorum (Article VI, Section 1, Paragraph E,3).
3. Per Article VI, Section 1, Paragraph A, there are now 18 members on the Steering Committee. We would like to reduce this number to 15. In the past, it was a 15-member Committee. The increase to 18 occurred when the Volunteers were producing our book, *Faces of the Museum*, in 1991.
4. The Captain and Co-Captain term (Article V, Section 2, Paragraph A) is three years; they may then be appointed for a second three-year term. We would like to remove the term limit, allowing any interested, committed Volunteer to continue beyond the six years.
5. Per Article VI, Section 3, Paragraph A,1, one of our subcommittees is entitled **Recruitment/Evaluation/Membership**. As we now cannot require Volunteers to be members of the Museum, we would like to remove the **Membership** portion of the subcommittee title.
6. Throughout the Articles, references to **Museum Society** should be deleted.

Judy Gough advised us that this document should be sent to you prior to approval by the Board of Trustees. If you have any questions or concerns, please let me know.

Sincerely,

Cathy O'Dea

Cathy O'Dea
Chair

CORPORATION OF THE FINE ARTS MUSEUMS

Executive Committee
Board of Trustees

September 9, 1999

Call to Order

A meeting of the Executive Committee of the Board of Trustees of the Corporation of The Fine Arts Museums was held on Thursday, September 9, 1999, in the 6th Floor Conference Room of the Museums' Administrative Offices at 233 Post Street, San Francisco. A quorum being present, the meeting was called to order at 1:41 p.m. by Mrs. Alfred S. Wilsey, President. President Wilsey presided; Mrs. Gough acted as Secretary.

Roll Call

Present:

Alvin H. Baum, Jr.
Mrs. Ray Dolby/Vice President/Annual Support
Richard P. Essey
Richard P. Finn, Vice President/Finance
Ms. Frankie Jacobs Gillette, Vice President/Civic Affairs
J. Burgess Jamieson
Diane B. Lloyd-Butler, Vice President/Audience Development
Nion McEvoy
J. Alec Merriam, Vice President/Collections
Robert A. Mills
Steven MacGregor Read, Vice President/Facilities
Mrs. Alfred S. Wilsey, Chairman

Excused:

Charles Crocker
Belva Davis
Mrs. Harry H. Wetzel

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Other Trustees in Attendance:

Mrs. David P. Bancroft
Robert J. Bransten
Mrs. Ransom S. Cook
Mrs. Leonard E. Kingsley
Mrs. William B. MacColl, Jr.
Vivian Fei Tsen

Roll Call (continued)

The following non-voting officers were present:

Harry S. Parker III, Chief Executive Officer
Steve Dykes, Treasurer
Judy Gough, Secretary

Report of the President - Mrs. Alfred S. Wilsey

A. Consideration and Possible Action to Approve the Minutes of the June 10, 1999, Meeting of the Board of Trustees

The minutes of the June 10, 1999 meeting of the Board of Trustees, having been mailed in advance to all Trustees, were unanimously approved.

B. Report on the Public Campaign to Build a New de Young Museum in Golden Gate Park

President Wilsey reported that the public fund-raising campaign to build a new de Young Museum in Golden Gate Park will be officially launched at the October 14, 1999 meeting of the Board of Trustees. Mrs. Nan Tucker McEvoy has agreed to serve as Honorary Chair of the public campaign. Other members of the Ad Hoc Public Campaign Committee to Build a New de Young Museum in Golden Gate Park are: Mrs. David P. Bancroft, Alvin H. Baum, Jr., Richard H. Finn, J. Burgess Jamieson, David M. Jamison, and Mr. and Mrs. Leonard E. Kingsley.

Members of the Committee have been assigned areas of responsibility and have formed sub-committees to accomplish their goals. The following sub-committee reports were received:

Mr. Leonard E. Kingsley reported that he and Mrs. Kingsley co-chair a sub-committee, which focuses on approximately 3,000 members of the FAMily, who support the Museums annually. Sub-committee members include Mr. and Mrs. Robert J. Bransten, Belva Davis, Mrs. Newton Cope, Richard P. Essey, Mr. and Mrs. Richard W. Goss II, Beverly James, John Leland, Mr. and Mrs. J. Alec Merriam, Miss Rose Fox Noll, Mr. and Mrs. William E. Steen, Mr. and Mrs. Sidney Unobskey, Mr. and Mrs. Harry H. Wetzel, and Mr. and Mrs. Charles Willis.

Alvin H. Baum, Jr., chairs an outreach sub-committee, which is targeting individuals who have not been associated with the de Young Museum in the past. A list of approximately 1,500 prospects representative of the diversity of the San Francisco community has been developed.

B. Report on the Public Campaign to Build a New de Young Museum in Golden Gate Park (continued)

Mrs. David P. Bancroft is working with the presidents of ten of the Museums' supporting organizations. The presidents serve on the sub-committee chaired by Mrs. Bancroft and will function as liaisons between the sub-committee and their respective memberships. Two cultivation events are being planned.

President Wilsey noted that additional members of the Ad Hoc Public Campaign Committee were unable to be present at today's meeting. Their sub-committee reports will be provided at a future meeting.

C. Report on the Conceptual Planning for a New de Young Museum in Golden Gate Park

1. Consideration and Possible Action to Adopt a Resolution Recommending to the Board of Trustees of the Corporation of The Fine Arts Museums that Herzog & de Meuron Architekten AG in Association with Fong & Chan Architects Proceed with the Design and Engineering of a New de Young Museum in Golden Gate Park and that the President of the Board of Trustees and Chief Executive Officer Are Authorized to Take All Necessary Steps to Implement and Expedite the Design and Engineering of a New de Young Museum in Golden Gate Park, including the Expenditure of Funds, Execution of Necessary Agreements, Commencement of the Environmental Review Process, and the Initiation of Review by Public Agencies as Required

President Wilsey read the following resolution:

WHEREAS, At its meeting on January 14, 1999, the Board of Trustees selected Herzog & de Meuron Architekten AG to develop a conceptual plan for a new de Young Museum in Golden Gate Park; and

WHEREAS, Herzog & de Meuron have worked with Trustees, staff and Museum constituents to develop a conceptual plan, which was presented to the Board of Trustees on June 10, 1999; and

WHEREAS, A workshop was held on August 16, 1999 and another is scheduled for September 23, 1999 to inform the public about the Board's vision for a new de Young Museum in Golden Gate Park, present the conceptual plan, answer questions, and listen to public comments; and

1. Consideration and Possible Action to Adopt a Resolution Recommending to the Board of Trustees of the Corporation of The Fine Arts Museums that Herzog & de Meuron Architekten AG in Association with Fong & Chan Architects Proceed with the Design and Engineering of a New de Young Museum in Golden Gate Park, etc. (continued)

WHEREAS, The conceptual plan as presented meets the objectives of a new de Young Museum in Golden Gate Park and now requires further development to fully realize both the vision and operation of a new de Young Museum; and

WHEREAS, Fong & Chan Architects have been selected as the local firm to support Herzog & de Meuron Architekten AG in the design and engineering of a new de Young Museum in Golden Gate Park; now, therefore, be it

RESOLVED, That the Executive Committee recommends to the Board of Trustees that Herzog & de Meuron Architekten AG in association with Fong & Chan Architects proceed with the design and engineering of a New de Young Museum in Golden Gate Park; and, be it

FURTHER RESOLVED, That the President of the Board of Trustees and the Chief Executive Officer are authorized to take all necessary steps to implement and expedite the design and engineering of a new de Young Museum in Golden Gate Park, including but not limited to the expenditure of funds, execution of necessary agreements, commencement of the environmental review process, and initiation of review by public agencies as required; and, be it

FURTHER RESOLVED, That the President of the Board of Trustees and the Chief Executive Officer shall continue to consult with Trustees, staff, Museum constituents, public officials, and the general public on the plans for a new de Young Museum in Golden Gate Park.

On motion, duly seconded, there was no discussion among the Trustees. The Executive Committee voted unanimously to adopt the above resolution as **Board Resolution 240.**

D. Cancellation of November 11, 1999 Meeting of the Executive Committee of the Board of Trustees

President Wilsey announced that the November 11, 1999 meeting of the Executive Committee of the Board of Trustees has been cancelled due to the Veterans Day event at the Legion of Honor on the same day, which is part of the Legion's 75th Anniversary Celebration.

Report of the Chief Executive Officer - Harry S. Parker III

A. Report on the Increase in the Endowment Fund Distribution Rate for Operating Budget Support for Fiscal Year 1999-2000 from 4% to 4.5%

At its May 13, 1999 meeting, the Executive Committee requested that the Fine Arts Museums Foundation increase the endowment fund distribution rate from 4% to 5% for fiscal year 1999-2000. Mr. Parker reported that The Fine Arts Museums Foundation met on June 3, 1999 and approved an increase increase of 4.5%.

B. Consideration and Possible Action to Adopt a Resolution to Designate the Proceeds from the Allan M. and Marilynn Lee Trust to Unrestricted Art Acquisition

Mr. Parker introduced the following resolution:

WHEREAS, On December 30, 1998, Fred Hartwick, Senior Associate Director of Planned Giving at Stanford University, informed the Museums that Allan M. and Marilynn Lee had named the Fine Arts Museums of San Francisco as a beneficiary to receive a $5,000 unrestricted bequest; and

WHEREAS, On July 6, 1999, a distribution of $5,000 was received by the Fine Arts Museums of San Francisco; and

WHEREAS, The Director of Museums recommended the disposition of the proceeds for unrestricted art acquisition; now, therefore, be it

RESOLVED, That the Executive Committee of the Board of Trustees does hereby restrict the proceeds from the Allan M. and Marilynn Lee Trust for unrestricted art acquisition.

On motion, duly seconded, there was no discussion among the Trustees. The Executive Committee voted unanimously to adopt the above resolution as **Board Resolution 241.**

C. **Consideration and Possible Action to Adopt a Resolution to Designate the Proceeds from the Mildred Landstrom Estate to Unrestricted Art Acquisition**

The following resolution was presented by Mr. Parker:

WHEREAS, On August 17, 1995, John E. Sears, attorney representing the Estate of Mildred Landstrom, informed the Museums that Mildred Landstrom had named the Fine Arts Museums of San Francisco as a beneficiary; and

WHEREAS, On September 24, 1999, a preliminary distribution of $7,302.66 was received by the Fine Arts Museums of San Francisco; and

WHEREAS, At its meeting on November 22, 1996, the Acquisitions Committee approved the use of the preliminary distribution to purchase, in part, a painting by Taneyuki Dan Harada, Barracks: Topaz with the understanding that the second, future distribution would complete the funding of this painting; and

WHEREAS, A second distribution in the amount of $12,000.00 was received by the Fine Arts Museums of San Francisco on July 13, 1999; and

WHEREAS, The Director of Museums has recommended the disposition of the proceeds to complete the funding of the Harada painting as approved by the Acquisitions Committee on November 22, 1996 with the remaining $9,300 of the second distribution allocated for unrestricted art acquisition; now, therefore, be it

RESOLVED, That the Executive Committee of the Board of Trustees does hereby restrict the proceeds from the Mildred Landstrom Estate for unrestricted art acquisition as stated above.

On motion, duly seconded, there was no discussion among the Trustees. The Executive Committee voted unanimously to adopt the above resolution as **Board Resolution 242.**

D. **Consideration and Possible Action to Adopt a Resolution Authorizing the Opening of an Account at Vanguard Funds**

Mr. Parker advised that a gift of shares of Vanguard funds has necessitated the opening of an account at Vanguard Funds. He presented the following motion:

RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museums does hereby authorize the Treasurer and Controller of the Corporation to open an account in the name of the Corporation at the firm of Vanguard Funds, for the sole purpose of receiving and selling gifted shares of funds to this Corporation; and be it

D. Consideration and Possible Action to Adopt a Resolution Authorizing the Opening of an Account at Vanguard Funds (continued)

FURTHER RESOLVED, That this account remains in full force until rescinded or modified by this Board.

On motion, duly seconded, there was no discussion among the Trustees. The Executive Committee voted unanimously to adopt the above resolution as **Board Resolution 243.**

E. Consideration and Possible Action to Adopt a Resolution Covering the Transfer of Shares at Vanguard Funds

The companion resolution covering the transfer of shares at Vanguard Funds was introduced by Mr. Parker:

RESOLVED, That any one of the following officers and employees of the Corporation of The Fine Arts Museums, to wit:

Harry S. Parker III, Chief Executive Officer
Stephen E. Dykes, Treasurer
Barbara Boucke, Deputy Director for Development
Robert M. Cullison, Controller

and he/she is authorized to sell, assign, transfer or dispose of any shares, or other securities now or hereafter owned or held by the Corporation at Vanguard Funds; and be it

FURTHER RESOLVED, That any Transfer Agent, Registrar or issuer of funds to whom a copy of this resolution shall be delivered may rely upon this resolution until such time as written notice of any change, amendment or cancellation thereof shall have been received by such Transfer Agent, Registrar or issuer of funds.

On motion, duly seconded, there was no discussion among the Trustees. The Executive Committee voted unanimously to adopt the above resolution as **Board Resolution 244.**

F. Consideration and Possible Action to Approve the Amended Operating Guidelines of the San Francisco Ceramic Circle

The Council of the San Francisco Ceramic Circle submitted revised Operating Guidelines for approval. The most substantive amendment moves the annual general meeting from January to July. All other changes are minor. The Operating Guidelines have been reformatted reducing their length from 13 to 6 pages.

On motion, duly seconded, there was no discussion among the Trustees. The Executive Committee voted unanimously to approve the amended Operating Guidelines of the Council of the San Francisco Ceramic Circle as appended.

G. Consideration and Possible Action to Approve the Amended Articles of Association for the Volunteer Council

Six revisions to the Articles of Association for the Volunteer Council were submitted for approval. These minor amendments include reducing the number of meetings per year from twelve to six, stating that a Steering Committee member may miss three meetings per year, and deleting references to the now dissolved Museum Society.

On motion, duly seconded, there was no discussion among the Trustees. The Executive Committee voted unanimously to approve the revised Articles of Association for the Volunteer Council as appended.

Report of the Budget Committee - Richard H. Finn, Vice President and Chair

A. Report on Pre-audited COFAM Operating Budget for Fiscal Year Ended June 30, 1999

Trustee Finn reported that the Budget Committee met earlier today and reviewed the pre-audited 1998-99 fiscal year end results. While operating results were $212,000 in the black, $461,000 in early retirement offering one-time costs, plus $315 in depreciation expenses, led to an overall deficit of $565,000.

Steve Dykes, Deputy Director for Administration and Finance, presented the pre-audited details, reprising the negative impact of downtown *Impressionists* visitors at only 61% of projected attendance. He also noted that the reserve on June 30, 1999 dropped to $1,152,000 due to year-end expenses. By the end of July, it is expected to rise to about $1.5 million. Board policy is to keep a $2 million level or better.

The early retirement offering had 11 participants and resulted in ongoing annual savings of about $280,000.

B. Report on Fiscal Year 1999-2000 Operating Budget

Trustee Finn noted that an interim Fiscal Year 1999-2000 budget was adopted at the June 10, 1999 meeting of the Board of Trustees. The Budget Committee will meet in two weeks to review the final operating budget plan for the 1999-2000 fiscal year prior to its submission to the Board of Trustees for approval at its meeting on October 14, 1999.

Report of the Annual Support Committee - Mrs. Ray Dolby, Vice President and Chair

In the absence of Mrs. Ray Dolby, Vice President and Chair of the Annual Support Committee, and Barbara Boucke, Deputy Director for Development, the Annual Support Committee report was deferred until the next meeting.

Report of the Fine Arts Museums Foundation - Charles Crocker, President

In the absence of Trustee Crocker, Mr. Parker presented the Endowment Fund Report. At the close of business on September 3, 1999, the endowment portfolio was valued at $74,692,194. It was invested 65.13% in equities, 33.21% in fixed income, and 1.65% in cash and cash equivalents.

Adjournment - Mrs. Alfred S. Wilsey, President

There being no further business, the meeting was adjourned at 2:10 p.m.

Respectfully submitted,

Judy Gough
Executive Secretary
Museums

San Francisco Ceramic Circle
P.O. Box 15163 • San Francisco, CA 94115

Harry S. Parker III
Director, Fine Arts Museums of San Francisco
233 Post Street, 6th Floor
San Francisco, CA 94108-5003

7th June 1999

Dear Mr. Parker

Attached are amended guidelines for the Council of the San Francisco Ceramic Circle for ratification by the Fine Arts Museums of San Francisco.

The only substantial change from current operating guidelines is to move the annual general meeting from January to July. This was approved by vote of the S.F.C.C. Board at the meeting on 20th May 1999. The reasons for making this change are fourfold:

1) The S.F.C.C. fiscal year ends on the 30th June. Moving the AGM to July will enable the board to make a timely report to the membership of financial results for the year and present a budget for the coming year.

2) S.F.C.C. annual membership renewal runs from January 1st through March 31st. By moving the AGM to July the Board will be able to report membership accurately instead of an estimate based on anticipated renewals.

3) Every other year the S.F.C.C. holds a 2 day Seminar in January. This is an event for which an admission charge is made. As a matter of policy the AGM should be open to all members without charge so the S.F.C.C. has usually slipped the AGM to February on "seminar" years. Moving the AGM to July will take care of this scheduling conflict.

4) The July meeting of the S.F.C.C. is informal with no scheduled lecture. Moving the AGM to July will enable the membership more time for discussion of S.F.C.C. matters without the time restrictions imposed by a formal lecture.

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Added: "and to operate the Ceramic Study Center 2 days/week" This reflects what the S.F.C.C. has been doing for well over a year and formally adds this to the list of purposes of the S.F.C.C.

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Changed: January to July.....(This moves the AGM to July)

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Added: A title "Fund Raising Events".....omitted in the original guidelines.

Paragraph X Section 2 page 6 "Endowment Fund Solicitation"

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Colin Knight

Colin Knight

President, San Francisco Ceramic Circle

FINE ARTS MUSEUMS of SAN FRANCISCO

Volunteer Council
California Palace of the Legion of Honor
M.H. de Young Memorial Museum

RECEIVED
JUL 22 1999
DIRECTORS OFFICE

July 22, 1999

Harry S. Parker III, Director
Fine Arts Museums of San Francisco

Dear Harry:

The Articles of Association for the Volunteer Council have not been revised since October 1992. We now request six (6) changes to these Articles:

1. Per Article VI, Section 1, Paragraph E,1, we now have twelve (12) meetings per year; we would like to reduce this number to six (6), not having less than five (5) per year. Much of the actual work done by the Steering Committee occurs on the individual subcommittees. Reducing the number of general meetings would allow the subcommittees more time to meet, do their work, and then report to the full Steering Committee.
2. Per Article VI, Section 1, Paragraph E,2, a Steering Committee member is allowed to miss three (3) meetings per year. If we reduce the number of meetings to six (6), this number should be changed, allowing members to be absent twice per year. Nine (9) would now be considered a quorum (Article VI, Section 1, Paragraph E,3).
3. Per Article VI, Section 1, Paragraph A, there are now 18 members on the Steering Committee. We would like to reduce this number to 15. In the past, it was a 15-member Committee. The increase to 18 occurred when the Volunteers were producing our book, *Faces of the Museum*, in 1991.
4. The Captain and Co-Captain term (Article V, Section 2, Paragraph A) is three years; they may then be appointed for a second three-year term. We would like to remove the term limit, allowing any interested, committed Volunteer to continue beyond the six years.
5. Per Article VI, Section 3, Paragraph A,1, one of our subcommittees is entitled **Recruitment/Evaluation/Membership**. As we now cannot require Volunteers to be members of the Museum, we would like to remove the **Membership** portion of the subcommittee title.
6. Throughout the Articles, references to **Museum Society** should be deleted.

Judy Gough advised us that this document should be sent to you prior to approval by the Board of Trustees. If you have any questions or concerns, please let me know.

Sincerely,

Cathy O'Dea

Cathy O'Dea
Chair

M.H. de Young Memorial Museum
Golden Gate Park 75 Tea Garden Drive, San Francisco, CA 94118-4501
tel 415 750 3600 fax 415 750 7692

FINE ARTS MUSEUMS of SAN FRANCISCO

Board of Trustees
California Palace of the Legion of Honor
M.H. de Young Memorial Museum

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NOTICE OF CANCELLATION

Executive Committee
Board of Trustees
Corporation of The Fine Arts Museums[1]
Regular Meeting
Thursday
November 11, 1999
12:30 p.m.[2]

Notice is hereby given that the regular meeting of the Executive Committee of the Board of Trustees of the Corporation of The Fine Arts Museums of San Francisco for Thursday, November 11, 1999, at noon, has been canceled.

The next regular meeting of the Executive Committee of the Board of Trustees will be held on Thursday, December 9, 1999, immediately following the meeting of the Executive Committee of the Board of Trustees of the Fine Arts Museums of San Francisco, in the 6th Floor Conference Room of the Administrative Offices at 233 Post Street, San Francisco.

Judy Gough
Executive Secretary
Museums
750-3669

[1] The Corporation The Fine Arts Museums (COFAM) is a private not-for-profit entity. However, notice of the cancellation of this COFAM meeting is being provided to the public because a majority of the City and County of San Francisco's Fine Arts Museums Executive Committee (FAMSF) might have been present at this meeting. If a quorum of the FAMSF Executive Committee attended this COFAM meeting, the meeting would have been conducted in compliance with the Brown Act.

[2] Or such earlier time as the Fine Arts Museums of San Francisco Executive Committee meeting would have ended, but in no event before 12:30 p.m.

Administrative Offices
233 Post Street, San Francisco, CA 94108-5007
tel: 415.750.3600 fax: 415.750.7636

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OFFICIAL MEETING NOTICE

Corporation of The Fine Arts Museums[1]
Executive Committee of the Board of Trustees

Thursday, December 9, 1999
12:30 p.m.[2]
Administrative Offices
233 Post Street, 6th Floor Conference Room
San Francisco, California

San Francisco, California

AGENDA

I. Calling of the Meeting to Order - Mrs. Alfred S. Wilsey, President

II. Calling of the Roll

Trustees:

Alvin H. Baum, Jr.
Charles Crocker
Belva Davis
Mrs. Ray Dolby, Vice President/Annual Support
Richard P. Essey
Richard H. Finn, Vice President/Finance
Ms. Frankie Jacobs Gillette, Vice President/Civic Affairs
J. Burgess Jamieson
Diane B. Lloyd-Butler, Vice President/Audience Development
J. Alec Merriam, Vice President/Collections
Nion T. McEvoy

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[1] The Corporation of The Fine Arts Museums (COFAM) is a private not-for-profit entity. However, notice of this COFAM meeting is being provided to the public because a majority of the City and County of San Francisco's Fine Arts Museums Executive Committee (FAMSF) may be present at this meeting. If a quorum of the FAMSF Executive Committee attends this COFAM meeting, the meeting will be conducted in compliance with the Brown Act.

[2] Or such earlier time as the Fine Arts Museums of San Francisco Executive Committee meeting ends, but in no event before 12:30 p.m.

II. Calling of the Roll (continued)

Trustees (continued):

Robert A. Mills
Steven MacGregor Read, Vice President/Facilities
Mrs. Harry H. Wetzel
Mrs. Alfred S. Wilsey, President

III. Report of the President - Mrs. Alfred S. Wilsey

A. Consideration and Possible Action to Approve the Minutes of the October 14, 1999 Meeting of the Board of Trustees (See Appendix A) [Filed under m.mtg.]

B. Report on the *My de Young* Public Campaign to Build a New de Young Museum in Golden Gate Park

C. Report on the Conceptual Planning for a New de Young Museum in Golden Gate Park

D. Establishment of Fine Arts Museums Education Council

E. Other Informational Items

IV. Report of the Chief Executive Officer - Harry S. Parker III

A. Report on COFAM Operating Budget as of October 31, 1999 (See Appendix B)

B. Report on the Letter to Trustee Alvin H. Baum, Jr., Regarding the Fine Arts Museums' Sensibility to Gay and Lesbian Issues (See Appendix C)

C. Consideration and Possible Action to Adopt a Resolution Authorizing the Chief Executive Officer to Accept and Disburse Grant Funds from the State of California Department of Parks and Recreation for the Project to Build a New de Young Museum in Golden Gate Park in Order to Further the Museum's Educational Mission and the Education Programs and Services It Provides to the Public, and to Execute Any and All Documents Necessary for the Processing of the Grant and the Disbursement of the Grant Funds (To Be Distributed)

D. Consideration and Possible Action to Adopt a Resolution Extending the Repayment of the Loan of the Osher Sculpture Garden Fund for the Seismic Bracing Project at the de Young Museum

WHEREAS, In December 1990, The Bernard Osher Foundation made a restricted gift to the Corporation of The Fine Arts Museums (COFAM) to build a sculpture garden at the M. H. de Young Memorial Museum; and

WHEREAS, The Osher Foundation agreed in June 1993 to allow a loan of the sculpture garden funds to pay for temporary seismic improvements to prevent the de Young Museum from collapsing in the event of a major earthquake; and

WHEREAS, The loan obligation of principal and interest was $2,869,667 at June 30, 1999; and

WHEREAS, The COFAM Board of Trustees had hoped to pay off the loan from proceeds from a City of San Francisco general obligation bond sale to build a new de Young Museum; and

WHEREAS, Neither the November 1996 or the June 1998 general obligation bond measures were approved; and

WHEREAS, The term of the loan, which was to expire on December 31, 1998, was generously extended by Trustee Osher to December 31, 1999; now, therefore, be it

RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museums does hereby authorize its President and Chief Executive Officer to take all necessary actions to extend the loan to at least December 31, 2000; and, be it

FURTHER RESOLVED, That the COFAM Board of Trustees expresses its gratitude to Bernard Osher and the Osher Sculpture Garden Fund for providing the funds for the de Young Museum temporary seismic repairs in order to keep the Museum open to the public.

E. Consideration and Possible Action to Adopt a Resolution Authorizing the Opening of an Account at Goldman, Sachs & Co.

RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museums does hereby authorize the Treasurer and Controller of the Corporation to open an account in the name of the Corporation at the firm of Goldman, Sachs & Co., for the sole purpose of receiving and selling gifted shares of stocks to this Corporation; and be it

FURTHER RESOLVED, That this account remains in full force until rescinded or modified by this Board.

F. Consideration and Possible Action to Adopt a Resolution Covering the Transfer of Shares at Goldman, Sachs & Co.

RESOLVED, That any one of the following officers and employees of the Corporation of The Fine Arts Museums, to wit:

Harry S. Parker III, Chief Executive Officer
Stephen E. Dykes, Treasurer
Barbara Boucke, Deputy Director for Development
Robert M. Cullison, Controller

is authorized to sell, assign, transfer or dispose of any stocks, bonds, or other securities now or hereafter owned or held by the Corporation at Goldman, Sachs & Co.; and be it

FURTHER RESOLVED, That any Transfer Agent, Registrar or issuer of securities to whom a copy of this resolution shall be delivered may rely upon this resolution until such time as written notice of any change, amendment or cancellation thereof shall have been received by such Transfer Agent, Registrar or issuer of securities.

G. Personnel Report

H. Other Informational Items

V. Report of the Budget Committee - Richard H. Finn, Vice President and Chair

A. Report on COFAM Operating Budget Long Range Projections (See Appendix D)

VI. Report of the Annual Support Committee - Mrs. Ray Dolby, Vice President and Chair

VII. Report of the Fine Arts Museums Foundation - Charles Crocker, President

VIII. Adjournment - Mrs. Alfred S. Wilsey, President

Public Meeting Requirements Relating to Accessibility

The subsequent information is in compliance with the Americans with Disabilities Act (ADA); the following will be made available upon request:

1. American sign language interpreters
2. A sound enhancement system
3. An agenda of meeting available in alternative formats
4. A reader during the meeting

To arrange for the above services, please contact Judy Gough at (415) 750-3669 at least two working days prior to the meeting.

Minutes of the meeting will be made in alternate formats upon request. Meeting agendas are available on the Fine Arts Museums of San Francisco website, *www.thinker.org.*

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illnesses, multiple chemical sensitivity or related disabilities, those attending public meetings are reminded that other may be sensitive to various chemical based products. Please help the City to accommodate these individuals.

For access to 233 Post Street by BART, get off at the Montgomery Street Station. MUNI's wheelchair-accessible No. 38 line may also be taken to Geary and Stockton Streets, as well as wheelchair-accessible No. 2 line (east bound), which stops close to 233 Post Street. For more information about MUNI's accessible services, call (415) 923-6142. Accessible parking space (disabled-designated) is available at the Stockton-Sutter Parking Garage.

Accessible seating for persons with disabilities (including those using wheelchairs) will be provided. For Telecommunication Device for the Deaf (TDD), the Museums uses the California Relay Service.

Know Your Rights Under the Sunshine Ordinance

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils, and other agencies of the City and County exist to conduct the people's business. This ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code) or to report a violation of the ordinance, contact the Sunshine Ordinance Task Force at 554-6075.

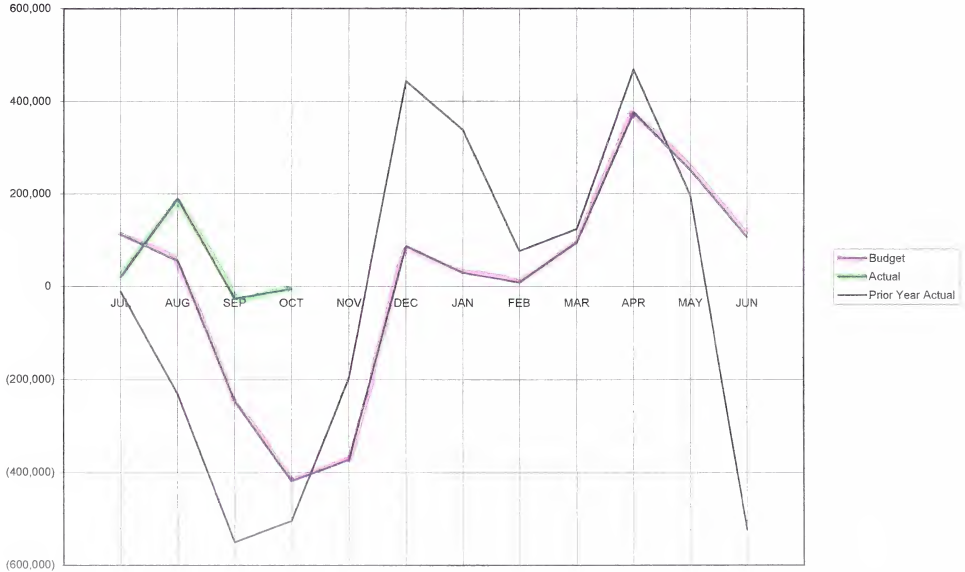
If you are unable to attend the meeting, you may submit written comments to Judy Gough, Fine Arts Museums of San Francisco, 233 Post Street, 6th Floor, San Francisco, CA, 94108.

COFAM Budget Report For The Month Ended 31 October 1999

	Page
Cumulative Surplus (Loss) Chart	
Narrative	
Resources & Expenses	1
Annual Contributions	5
Stores	6
Exhibition Program	7
Balance Sheet	9

Appendix B

COFAM CUMULATIVE SURPLUS (LOSS) CHART
Fiscal Year Ending June 30, 2000



COFAM Operating Budget-In-Brief
Month Ended 31October 1999

Overview

Cumulative four month results were minus $50k – far better than the minus $418k projected, owing to strong admissions and membership revenues, personnel expenses running under, and other expenses substantially down, especially exhibit costs, which are expected to catch up to the budget in the next month or two. During the summer and early fall, the *Assisi* and *Saxe* shows enforced seasonally high attendance and helped to pump up revenue and continue to make the Museums attractive to renewing members.

The COFAM Reserve was $1,661k at 10/31/99, compared to $1,360k the month before. The increase is due primarily to the receipt of $410k in second quarter endowment support from the FAM Foundation, which will be drawn down by 12/31/99.

Support & Revenue

Annual Contributions were off $50k, with deficiencies among the Associates ($5k and higher gifts from individuals), National Council and Business donor categories. Year end giving will probably put this effort back on track. But sustaining a major annual giving effort while raising money for a new de Young Museum is a tall order.

While draws on specified funds were low, for the most part, restricted expenses were also down proportionately, so the bottom line was not affected.

Revenues were up $134k over budget. Admissions fee income was up $53k (9%) due to the popularity of the *Assisi* and *Saxe* shows. Member dues were $73k (9%) over budget but they fell behind in November, bringing the

cumulative number to about minus $25k. The budget expectation is that the number of paid members will drop from 50.1k at 6/30/99 to 45k by 6/30/00. Most of the drop-off will be from new members, who joined a year ago to take advantage of the extraordinary *Picasso / Impressionists / Victoria & Albert* exhibit triple crown.

Expenses

Differences between budget expenditure projections and the actual timing of costs created substantial temporary underages, which made the bottom line look better than was anticipated.

Cumulative personnel costs were $112k (5%) less than budget. Of this amount, exhibit labor costs were down $51k at this point. However, they are still likely to be incurred later in the year.

Other expenses were $329k (8%) less than budget, but exhibit, administrative and operations costs will occur later in the fiscal year than projected, bringing expenses more in line with the budget. Last, note that member magazine and guide costs were $67k over budget projection because actual publication dates were earlier than the budget model.

# # #

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$ in thousands

	(1)			(2)			(3)		(4)	
	October----			4-Months----						
	Original Budget	Actual	Variance to M-T-D Budget	Original Budget	Actual	Variance to Y-T-D Budget	Original Budget	% Actual To Budget	Actual Prior Year At 4 Months	
SUPPORT & REVENUE										
Support										
1) Annual Contributions	168	105	(63)	458	408	(50)	2,665	15%	487	See page 5.
2) Bequests and Major Unrestricted Gifts	0	0	0	0	0	0	0	0%	0	
3) Foundation Endowment Support	137	137	0	546	546	0	1,638	33%	425	
4) Specified Funds										
--Curatorial/Conservation	30	38	8	123	116	(8)	341	34%	147	
--Publications	33	4	(28)	65	35	(30)	85	41%	0	
--Exhibitions	17	36	19	113	151	38	320	47%	212	
--Education Programs	20	10	(10)	101	62	(39)	372	17%	67	
--General	3	0	(3)	11	9	(2)	97	9%	8	
Subtotal Specified Funds	103	89	(14)	413	372	(41)	1,216	31%	435	
5) COFAM Investment Income	13	10	(3)	36	33	(3)	140	24%	37	
Subtotal Support	421	341	(80)	1,453	1,359	(94)	5,659	24%	1,384	

$ in thousands

	(1) October			(2) 4-Months			(3)		(4)	
	Original Budget	Actual	Variance to M-T-D Budget	Original Budget	Actual	Variance to Y-T-D Budget	Original Budget	% Actual To Budget	Actual Prior Year At 4 Months	
Revenue										
6) Museum Store Sales	144	192	48	668	750	82	2,203	34%	722	See page 6.
Less Discounts	(7)	(7)	(0)	(34)	(30)	4	(110)	27%	(36)	
Less Cost of Goods	(73)	(112)	(38)	(339)	(413)	(74)	(1,113)	37%	(382)	
Less Commissions and Royalties	(1)	0	1	(2)	(0)	2	(9)	0%	(7)	
Gross Profit	63	73	10	292	307	15	970	32%	297	
7) Facilities Rental Gross	72	96	24	238	225	(13)	720	31%	228	
8) Benefits Gross Income / Art Point	0	6	5	15	15	(0)	199	7%	38	
9) General Admissions COFAM Net	117	155	38	592	645	53	1,722	37%	512	
10) Food & Beverage Concession Fees	12	19	7	53	65	12	157	41%	53	
11) Exhibition Program Earned Income	0	4	4	10	33	23	236	14%	148	See pages 7 and 8.
14)FAM Membership Dues	138	199	61	824	897	73	2,789	32%	934	
15) Conservation Services	29	20	(8)	98	102	3	400	25%	79	
16) Miscellaneous										
--Development Trip Fees	48	9	(38)	63	32	(30)	213	15%	7	
--Publication Sales Net	6	4	(2)	22	18	(4)	68	26%	43	
--Other Fees	22	26	4	76	77	2	260	30%	161	
Subtotal Revenue	505	611	106	2,283	2,417	134	7,734	31%	2,499	
Total Support & Revenue	926	951	25	3,736	3,776	40	13,393	28%	3,883	

Museum Attendance

October 1999: 71,045 visitors; 40.2% paid; budgeted - 50,000 visitors; 42.1% paid
Year to Date: 265,441 visitors; 44.9% paid; budgeted - 239,545; 42.1% paid.

Membership

Year to date: 15,099 dues paid members averaging $59.44 per member
compared to budgeted goals of 13,297 dues paid members averaging $61.99 per member
Current active paying members = 52,774

$ in thousands

	(1)			(2)			(3)		(4)
	October			4-Months					
	Original Budget	Actual	Variance to M-T-D Budget	Original Budget	Actual	Variance to Y-T-D Budget	Original Budget	% Actual To Budget	Actual Prior Year At 4 Months
EXPENSES									
Personnel Expenses									
17) Curatorial									
Curatorial/Conservation/Education	183	180	(3)	776	770	(5)	2,378	32%	755
Project Funded Employees	47	42	(5)	190	173	(17)	595	29%	163
Exhibit Group	65	61	(4)	262	244	(18)	840	29%	260
Exhibit Program Temporary Labor	30	17	(13)	100	67	(33)	297	23%	70
18) Development									
Development - General	42	41	(1)	175	165	(10)	545	30%	171
Membership	29	24	(5)	120	108	(12)	376	29%	150
19) Administration									
Administration General	95	92	(3)	382	376	(6)	1,232	30%	414
Media Relations & Advertising	16	16	(0)	66	64	(2)	204	31%	90
Operations Group	24	22	(1)	98	94	(4)	305	31%	105
Stores	29	29	(0)	138	130	(8)	411	32%	156
Facilities Rental	6	9	4	24	27	3	73	37%	80
Subtotal Personnel	564	532	(32)	2,330	2,218	(112)	7,257	31%	2,415

$ in thousands	(1) October			(2) 4-Months			(3)		(4)
	Original Budget	Actual	Variance to M-T-D Budget	Original Budget	Actual	Variance to Y-T-D Budget	Original Budget	% Actual To Budget	Actual Prior Year At 4 Months
Other Expenses									
20) Curatorial									
Curatorial/Conservation/Education	59	39	(20)	203	148	(56)	709	21%	136
Publications	33	4	(28)	65	35	(30)	85	41%	0
Exhibit Group	11	6	(5)	36	20	(16)	132	15%	42
Exhibit Program	144	29	(115)	393	277	(116)	1,224	23%	668
21) Development									
Development - General	40	48	8	102	108	6	584	18%	82
Art Point	3	3	(0)	21	16	(4)	111	15%	64
Benefits	0	0	0	0	3	3	99	3%	8
Membership	31	25	(6)	152	162	10	462	35%	238
Magazine / Guide	37	81	44	73	140	67	337	41%	27
22) Administration									
Administration General	89	116	27	357	314	(43)	1,114	28%	291
Media Relations & Advertising	33	22	(11)	145	125	(20)	472	26%	78
Operations Group	52	43	(8)	198	183	(15)	620	30%	182
Stores	9	6	(3)	29	22	(7)	94	23%	41
Facilities Rental	17	19	2	53	39	(14)	199	19%	8
Subtotal Other Expenses	556	441	(115)	1,828	1,590	(238)	6,240	25%	1,864
City Partial Reimbursement for Education Program / Administration and Building Operation Expenses	(49)	(24)	25	(173)	(151)	22	(596)	25%	0
Total Expenses	1,071	949	(122)	3,985	3,657	(329)	12,901	28%	4,279
SUPPORT & REVENUE OVER EXPENSES	(145)	3	148	(249)	119	368	491	24%	(396)
EARLY RETIREMENT CHARGES	0	0	0	(61)	(61)	0	(61)	100%	0
LESS PLANT FUND DEPRECIATION	(27)	(25)	2	(108)	(108)	0	(325)	33%	(100)
THE BOTTOM LINE	(172)	(22)	150	(418)	(50)	368	105	-47%	(100)

Appendix A - Annual Contributions Report -- Month Ending October 31, 1999 (33.3% Of The Budget Year)
$ in thousands

(1)	(2)			(3)				(4)	
Contribution Categories	October 1999		October 1998	Year To Date		Variance to	Prior Year	Current Year Annual	Current Year % of
	Actuals	Budget	Actuals	Budget	Actuals	Y-T-D Budget	Actuals	Goals	Annual Goals Achieved
1) Associates ($5,000 and up)	64	100	59	245	192	(53)	233	1,550	12.4%
2) Patrons ($2,500 - $5,000)	8	10	13	35	35	0	28	130	26.9%
3) Friends ($1,000 - $2,500)	19	30	37	85	86	1	115	475	18.1%
4) National Council/Other	3	3	14	18	8	(10)	23	60	14.1%
5) Mail Drive	0	0	30	2	3	1	31	105	2.5%
6) Phone Campaign	0	0	0	0	6	6	0	95	6.8%
7) Business	6	20	24	43	27	(16)	32	150	18.0%
8) Foundations	5	5	0	30	50	20	25	100	50.1%
	105	168	177	458	408	(50)	487	2,665	15.3%

Appendix - Stores Report: 1 Month Ended October 31,1999
$ in thousands

	In House Merchandising				Outside Merchandising	
	(1) deYoung Store		(2) Legion Store		(3) Wholesale & Royalties	
	Budget	Actual	Budget	Actual	Budget	Actual
Sales	185	232	306	312	29	40
Discounts	(11)	(10)	(15)	(14)		
Cost of Goods	(94)	(129)	(150)	(163)	(18)	(27)
Commissions & Royalties	0	0	0	0	(2)	(0)
Gross Profit	80	93	141	135	9	13
Personnel Expenses	82	61	47	47	0	3
Other Expenses	11	13	5	5	1	0
Total Expenses	93	74	51	52	2	3
Gross Profit Over Expenses	(14)	19	89	83	7	10
Variance to Year To Date		33		(6)		3

	Exhibition Merchandising					
	(4) St Francis of Assisi Store		(5) O'Keeffe Store		(6) Grand Totals	
	Budget	Actual	Budget	Actual	Budget	Actual
Sales	148	166	0	0	668	750
Discounts	(7)	(6)	0	0	(34)	(30)
Cost of Goods	(77)	(94)	0	0	(339)	(413)
Commissions	0	0	0	0	(2)	(0)
Gross Profit	63	66	0	0	292	307
Personnel Expenses	9	19	0	0	138	130
Other Expenses	12	4	0	0	29	22
Total Expenses	21	23	0	0	167	152
Gross Profit Over Expenses	42	43	0	0	125	155
Variance to Year To Date		1		0		30

		Venue	(1) Runs		(2) Cost		(3) Gifts and Grants		(4) Income		(5) Nets	
					Original	Revised	Original	Revised	Original	Revised	Original	Revised
	In-House Exhibitions											
	de Young											
1	Theater and Dance Collection (for Nancy Baer) (118)	D	01-May-99	05-Sep-99	1,901						(1,901)	
2	Saxe Collection (163)	D	26-Jun-99	17-Oct-99	22,713						(22,713)	
3	Wedding Dressas from Permanent Collection (136)	D	01-Dec-99	01-Jun-00	6,181						(6,181)	
4	Art for Elders	D	28-Sep-99	03-Oct-99	-						0	
5	Harzog and de Meuron Modal (128)	D	14-Oct-99	02-Jan-00	25,560		25,000	New de Young			(560)	
6	The Wiedersperg Collection (169)	D	18-Dec-99	30-Jun-00	68,762						(68,762)	
7	Artists Investigate the de Young (Halfand) (187)	D	20-Nov-99	12-Mar-00	100,503		1,000	Frankel Gallery			(99,503)	
8	Narratives of African Am Art: David Driskell (113)	D	20-Nov-99	13-Feb-00	49,464						(49,464)	
9	Achenbach TBA (137)	D	Jan 22-00	15-Apr-00	9,472						(9,472)	
10	Costumes (TBA) changed	D	01-Feb-00	01-Aug-00	-						0	
11	Hands and Minds (cancelled)	D	11-Mar-00	15-Apr-00	-						0	
12	Leonard Baskin (131)	D	29-Apr-00	06-Aug-00	10,182						(10,182)	
13	Taxtiles: Recent Acquisitions (138)	D	05-May-00	01-Nov-00	5,888						(5,888)	
14	Youth Arts Festival	D	02-May-00	14-May-00	-						0	
15	Bruce Conner (178)	D	21-May-00	30-Jul-00	187,987		110,000	Root			(77,987)	
			Subtotal de Young		488,613	-	136,000		-	-	(352,613)	0

Continued

Appendix "F" -- Exhibition Program - Year 1 - FY 1999-2000

		Venue	(1) Runs		(2) Cost		(3) Gifts and Grants		(4) Income		(5) Nets	
					Original	Revised	Original	Revised	Original	Revised	Original	Revised
	Legion											
17	Claes Oldenberg (162)	L	05-Jun-99	19-Sep-99	-						0	
18	Francis Bacon (108)	L	12-Jun-99	02-Aug-99	8,721						(8,721)	
19	The Treasury of St. Francis of Assisi (172)	L	24-Jul-99	14-Nov-99	243,749		96,000	Burke, A. Wilsey, Osher, M. Wilsey, McWilliams, Doll, Lippi			(147,749)	
20	Logan Book Gallery (3 rotations) (165)	L	ongoing		9,360						(9,360)	
21	Reinstall Legion Gallery 1 (166)	L	28-Aug-99	ongoing	5,804						(5,804)	
22	Anderson: Richard Diebenkorn's 41 Etchings (120)	L	25-Sep-99	30-Jan-00	14,046						(14,046)	
23	Alain Kirili:Dialogue with Rodin (126)	L	09-Oct-99	02-Jan-00	31,063		13,300	Fr. Cult Grant, Association Francais			(17,763)	
24	Gantner-Myer Collection of Aboriginal Art (180)	L	18-Sep-99	09-Jan-00	125,767		0	Net.com			(125,767)	
25	Anderson Legendary Lithography Prints from ULAE(117	L	05-Feb-00	14-May-00	12,506						(12,506)	
26	Georgia O'Keeffe: Poetry of Things (103)	L	19-Feb-00	14-May-00	319,155			Claritin reimb	193,160		(125,995)	
									300/hour adm., 60% paid @ $2, $20k audio			
27	Bouquets to Art	L	14-Mar-00	18-Mar-00	-						0	
28	Wayne Thiebaud (144)	L	10-Jun-00	03-Sep-00	252,531		75,000	Root	32,570		(144,961)	
									175/hr adm., 60% paid @ $2, $8k audio			
		Subtotal Legion			1,022,702	-	184,300	-	225,730	-	(612,672)	-
		Subtotal In House			1,511,315	-	320,300	-	225,730	-	(965,285)	-
	FAM Travelling Exhibitions											
29	City Hall (153)		01-Oct-99	30-Jun-00	10,000						(10,000)	
30	Ancient Glass from the Holy Land (may travel to DC)								10,000		10,000	
31	Thiebaud (travels in 00/01)										0	
32	Charles Jones (hope to travel)										0	
33	Gantner Myer (hope to travel)										0	
	Subtotal Traveling Tours				10,000	0	0	0	10,000	0	0	0
	Total In House and Traveling Exhibitions				1,521,315	-	320,300	-	235,730	-	(965,285)	-

ASSETS		LIABILITIES & FUND BALANCES	
Cash	526	Accounts Payable	401
Cash Equivalents	7,231	Other Accrued Liabilities	4,028
Accounts Receivable	3,301	Deferred Income - Restricted	5,668
Prepaid Expenses	174	Deferred Income - Unrestricted	3,709
Note Receivable	250	Fund Balances	
Inventory - Store	1,003	Unrestricted Fund	2,191
Inventory - Publications	404	Plant Fund	(2,174)
Investment in Bonds	700	Revenues over Expenses	51
Furniture & Equipment (Net)	285	(Note 2)	
	13,874		13,874

COFAM Reserve At 10/31/99 1,661

Note 1 -- Reserve Formula

Cash & Cash Equivalents	7,757
Bonds	700
Accounts Receivable	3,301
Less Accounts Payable	(401)
Less Other Accrued Liabilities	(4,028)
Less Deferred Income - Restricted	(5,668)
	1,661

Note 2 -- Revenues over Expenses

Operating Revenue over Expenses	121
Less Plant Fund	(143)
Plus Restricted Funds	73
Less Airport Fund	0
Surplus / (Deficit)	51

COFAM Balance Sheet At September 30,1999

ASSETS

Cash	590
Cash Equivalents	6,495
Accounts Receivable	3,647
Prepaid Expenses	150
Note Receivable	250
Inventory - Store	1,056
Inventory - Publications	404
Investment in Bonds	700
Furniture & Equipment (Net)	312
	13,604

LIABILITIES & FUND BALANCES

Accounts Payable	482
Other Accrued Liabilities	4,102
Deferred Income - Restricted	5,488
Deferred Income - Unrestricted	3,442
Fund Balances	
Unrestricted Fund	2,191
Plant Fund	(2,174)
Revenues over Expenses (Note 2)	73
	13,604

COFAM Reserve At 9/30/99	1,360

Note 1 -- Reserve Formula

Cash & Cash Equivalents	7,085
Bonds	700
Accounts Receivable	3,647
Less Accounts Payable	(482)
Less Other Accrued Liabilities	(4,102)
Less Deferred Income - Restricted	(5,488)
	1,360

Note 2 -- Revenues over Expenses

Operating Revenue over Expenses	116
Less Plant Fund	(102)
Plus Restricted Funds	59
Less Airport Fund	0
Surplus / (Deficit)	73

FINE ARTS MUSEUMS of SAN FRANCISCO

Office of the Director
California Palace of the Legion of Honor
M.H. de Young Memorial Museum

Mr. Alvin H. Baum, Jr.
2009 Green Street
San Francisco, CA 94123

Dear Al:

I am responding to your recent letter with its thoughtful inquiries with regard to (1) the Museums' past and future programs relating to gay/lesbian concerns, (2) the Museums' policies on recruitment of members of the gay/lesbian community for professional staff and Board position.

I think the Museums' record with regard to collection additions, exhibitions, and special events for the gay/lesbian community is quite strong and long-standing. As to acquisitions of work by acknowledged gay and lesbian artists, we purchased in 1990 a major painting by the artist Charles Demuth -- probably the most important gay artist of the first half of the 20th century in America -- together with several recently acquired works by the San Francisco artist Jess, including "Boy Party," an important work of the early 60's with explicit gay content. In addition, such artists as Jasper Johns, Robert Rauschenberg, and Ross Bleckner are included in the Museum's permanent collection.

As to exhibitions, the *Don Bachardy* exhibition in September - December 1996 is an example of a one-man exhibition devoted to a gay artist. The Museums routinely include gay artists in exhibitions whenever appropriate, for example in *The Beat Generation*, for which Jonathan Katz, Professor of Gay & Lesbian Studies at City College of San Francisco, provided some of the educational content. The soon-to-open *Museum Pieces*, curated by Glen Helfand, will include some gay and lesbian artists among those who were asked to address in this exhibition broad issues of the purposes and relevance of art museums in the 21st century.

One area of special interest to us has been the funding of a variety of events to commemorate National AIDS Awareness Day, which occurs on December 1 of each year. To celebrate this special Day we have sponsored performances by the Joe Goode Dance Troupe, exhibitions by the Visual Aids organization of art produced by artists living with AIDS, together with exhibition of portions of the AIDS Quilt by The Names Foundation. In April, 1999, we co-sponsored with Lambda Legal Defense and Education Fund, defender of legal rights of gay and lesbian Americans, a fund raiser ("Lambda at the Legion") that was so successful that another such evening has been scheduled for April, 2000. And I am proud as well as sad to report that we have planted several trees as memorials for staff members lost to AIDS.

-- over --

Administrative Offices
233 Post Street, San Francisco, CA 94108-5003
tel 415.750.3661 fax 415.750.7665

As to the future, I know that the Museums, under my guidance, will make an on-going effort to exhibit and collect exceptional works by gay and lesbian artists, including controversial work. We will also present work and education programs by and about openly gay and lesbian artists who are seriously addressing issues that are of special concern to their community; I believe that it is the mission of our two museums to do that for all segments of the greater San Francisco community, including also, for example, the African-American, Latino, and Asian-American segments. As you know, the primary message of the campaign for a new de Young in Golden Gate Park is that the de Young Museum belongs to the public, and has the mission of serving the public, all of it. Our ability to serve all segments of the public -- including the gay and lesbian, -- will be somewhat affected by the limitations on funding and staff resources during the interim period of de Young construction prior to the opening of the new de Young in circa 2005, but we will do whatever we can do even in that period.

Certainly the continued presence of gay/lesbian professional staff members and gay/lesbian representation on the Board of Trustees are additional meaningful ways to assure that the Fine Arts Museums retains a sensibility to gay and lesbian issues. In addition, non discrimination in employment is part of the policy framework that the Museums' operate under. And finally, I am personally mindful of the contribution that gay and lesbian trustees have made and can make to the diversity of viewpoint and of affiliation that will make the Fine Arts Museums even more closely linked to the public it serves, with positive effects on audience-building and goodwill. That has been and will be a persuasive reason for continuing efforts to increase diversity on our Board of Trustees.

Yours sincerely,

Harry S. Parker III
Director of Museums

HSP:jam

5 November 1999

Draft COFAM Budget Projections FY 99-00 Through FY 04-05

1 December 1999

Contents

	Page
Summary	1
Backup	
Annual Contributions	5
Specified Funds	6
Store Projections	8
Admissions Revenue	13
Food Concession Fees	17
Exhibition Program	20
Membership Dues	24
Other Expenses	26

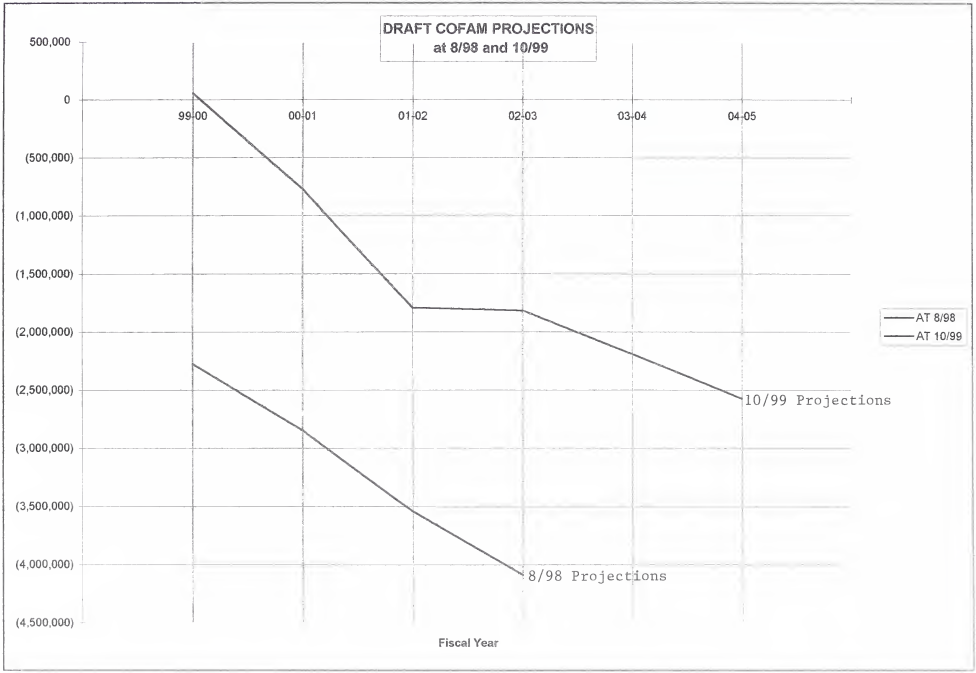

chart Chart 3 11/30/99

DRAFT COFAM BUDGET LONG RANGE PROJECTIONS

New deYoung Museum Project Milestones

12/31/00	**Close de Young.**
1/1 - 7/31/01	**Pack up; relocate to offsite without public galleries and temporary exhibits.**
1/1 - 6/30/05	**Install new de Young.**
7/1/05	**Open new de Young.**

$ in thousands	FY 97-98 Actual	FY 98-99 Pre-Audit Results	Year 1 FY 99-00 Budget	Year 2 FY 00-01 Projected 12/31/00 Close deY Pack	Year 3 FY 01-02 Projected HazMat Demo	Year 4 FY 02-03 Projected Build	Year 5 FY 03-04 Projected Build	Year 6 FY 04-05 Projected Finish Load-in	Notes
SUPPORT & REVENUE									
Support									
1) Annual Contributions	3,041	2,695	2,685	2,665	2,665	2,665	2,665	2,665	See Schedule A page 5.
2) Bequests and Major Unrestricted Gifts	638	2							
3) Foundation Endowment Support	1,109	1,276	1,638	1,656	1,656	1,656	1,656	1,656	To 4.5% on two year current average market value
4) Specified Funds									See Schedule B page 6.
--Curatorial/Conservation	452	545	341	300	300	300	300	300	
--Publications	-	-	85	50	50	50	50	50	
--Exhibitions	298	524	320	500	300	300	300	300	See Schedule F page 20.
--Education Programs	354	370	372	300	300	300	300	300	
--New deYoung Planning	602	737	-						New deYoung to Plant fund.
--General	103	88	97	25	25	25	25	25	
Subtotal Specified Funds	1,809	2,264	1,215	1,175	975	975	975	975	
5) COFAM Investment Income	152	144	140	-	-	-	-	-	
Subtotal Support	6,749	6,381	5,658	5,496	5,296	5,296	5,296	5,296	

DRAFT COFAM BUDGET LONG RANGE PROJECTIONS

$ in thousands	FY 97-98 Actual	FY 98-99 Pre-Audit Results	FY 99-00 Budget	Year 1 FY 00-01 Projected 12/31/00 Close deY Pack	Year 2 FY 01-02 Projected HazMat Demo	Year 3 FY 02-03 Projected Build	Year 4 FY 03-04 Projected Build	Year 5 FY 04-05 Projected Finish Lead-In	Year 6	Notes
Revenue										
6) Museum Store Sales	2,051	3,017	2,209	1,338	1,316	1,559	1,660	1,660		See Schedule C page 8.
Less Discounts	(102)	(152)	(110)	(65)	(61)	(69)	(73)	(73)		
Less Cost of Goods	(1,076)	(1,391)	(1,113)	(674)	(659)	(770)	(818)	(818)		
Less Commissions and Royalties	(2)	(57)	(9)	(9)	(9)	(9)	(9)	(9)		
Less Exhibition Catalogs Write Offs	-	(113)	-							
Gross Profit	871	1,305	971	590	587	711	760	760		
7) Facilities Rental Gross	594	672	720	645	645	645	645	645		
8) Benefits Gross Income / ArtPoint	244	168	199	200	200	200	200	200		
9) General Admissions COFAM Net	1,472	1,591	1,722	1,478	1,279	1,279	1,279	1,279		See Schedule D page 13
10) Food & Beverage Concession Fees	158	163	157	133	111	111	111	111		See Schedule page 17.
11) Exhibition Program Earned Income	425	1,881	236	150	300	850	850	300		See Schedule F page 20.
12) Membership Dues	2,341	2,805	2,739	2,434	2,130	2,130	2,130	2,434		See Schedule G page 24
13) Conservation Services	321	322	400	200	350	350	350	350		
14) Miscellaneous										
--Development Trip Fees	216	236	213	213	213	213	213	213		
--Publication Sales Net	162	222	68	70	70	70	70	70		
--Other Fees	375	309	260	250	250	250	250	250		
Subtotal Revenue	7,178	9,674	7,685	6,363	6,135	6,809	6,858	6,612		
Total Support & Revenue	13,926	16,055	13,343	11,859	11,431	12,105	12,154	11,908		

DRAFT COFAM BUDGET LONG RANGE PROJECTIONS

$ in thousands	FY 97-98 Actual	FY 98-99 Pre-Audit Results	Year 1 FY 99-00 Budget	Year 2 FY 00-01 Projected 12/31/00 Close deY Pack	Year 3 FY 01-02 Projected HazMat Demo	Year 4 FY 02-03 Projected Build	Year 5 FY 03-04 Projected Build	Year 6 FY 04-05 Projected Finish Load-In	Notes
EXPENSES									
Personnel Expenses									85.5 COFAM operating positions
15) Curatorial									85.5 City positions.
Curatorial/Conservation/Education	2,272	2,356	2,378	2,508	2,608	2,712	2,820	2,933	171 total positions
Project Funded/Term Employees	451	548	595	619	644	669	696	724	
Exhibit Group	777	835	840	874	909	945	983	1,022	Projections = +4% annually and current 86 5 COFAM positions
Exhibit Program Temporary Labor	152	313	297	309	321	334	347	361	
16) Development									
Development - General	486	527	545	567	589	613	638	663	
Membership	436	488	376	391	407	423	440	457	
17) Administration									
Administration General	1,153	1,232	1,232	1,281	1,333	1,386	1,441	1,499	
Media Relations & Advertising	257	285	204	212	221	229	239	248	
New deYoung Planning	169	177	-						
Operations Group	309	337	305	317	330	343	357	371	
Stores	481	556	411	427	445	462	481	500	
Facilities Rental	190	203	73	76	79	82	85	89	
Subtotal Personnel	7,133	7,869	7,256	7,581	7,884	8,199	8,527	8,868	

DRAFT COFAM BUDGET LONG RANGE PROJECTIONS

$ In thousands	FY 97-98 Actual	FY 98-99 Pre-Audit Results	Year 1 FY 99-00 Budget	Year 2 FY 00-01 Projected 12/31/00 Close deY Pack	Year 3 FY 01-02 Projected HazMet Demo	Year 4 FY 02-03 Projected Build	Year 5 FY 03-04 Projected Build	Year 6 FY 04-05 Projected Finish Lead-In	Notes
Other Expenses									
18) Curatorial									See Schedule H page 28.
Curatorial/Conservation/Education	573	579	709	555	538	552	567	583	Projections = +3% annually for ongoing expenses.
Publications	(2)	(9)	85	50	50	50	50	50	
Exhibit Group	107	98	132	103	108	109	112	116	
Exhibit Program	1,277	2,611	1,224	807	1,179	1,716	1,453	1,139	
19) Development									
Development - General	606	747	584	595	607	618	631	643	
Art Point	52	118	111	114	117	121	124	128	
Benefits	115	8	99	100	100	100	100	100	
Membership	403	538	462	452	439	452	465	480	
Magazine / Guide	243	251	337	309	277	285	294	303	
20) Administration									
Administration General	1,472	1,169	1,114	1,003	1,034	1,066	1,099	1,133	FY 97-98 Administration Other Expenses include $560K for bond campaign.
Media Relations & Advertising	358	424	471	466	480	494	509	524	
New deYoung Planning	432	539	-	-	-	-	-	-	New deYoung to Plant fund.
Operations Group	594	582	620	589	568	581	600	620	
Stores	85	152	94	52	40	41	42	42	
Facilities Rental	30	119	199	175	145	149	154	158	
Subtotal Other Expenses	6,345	7,946	6,241	5,370	5,680	6,335	6,202	6,019	
City Partial Reimbursement for Education Program / Administration and Building Operation Expenses		-	(596)	(614)	(632)	(651)	(671)	(691)	
Total Expenses	13,478	15,815	12,901	12,338	12,932	13,883	14,058	14,196	
SUPPORT & REVENUE OVER EXPENSES	449	241	442	(479)	(1,501)	(1,778)	(1,904)	(2,288)	
EARLY RETIREMENT CHARGES	-	(344)	(61)	-	-	-	-	-	
EARLY RETIREMENT HEALTH COVERAGE	-	(105)	-	-	-	-	-	-	
LESS PLANT FUND DEPRECIATION	(387)	(315)	(325)	(325)	(325)	(325)	(325)	(325)	
THE BOTTOM LINE PROJECTION 10/99	62	(524)	56	(804)	(1,826)	(2,103)	(2,229)	(2,613)	
CUMULATIVE DEFICIT					(2,630)	(4,733)	(6,962)	(9,574)	

Annual Contributions

$ in thousands

Contribution Categories	FY 91-92 Actuals	FY 92-93 Actuals	FY 93-94 Actuals	FY 94-95 Actuals	FY 95-96 Actuals	FY 96-97 Actuals	FY 97-98 Actuals	FY 98-99 Actuals	Year 1 FY 99-00 Budget	Year 2 FY 00-01 Projection	Year 3 FY 01-02 Projection	Year 4 FY 02-03 Projection	Year 5 FY 03-04 Projection	Year 6 FY 04-05 Projection
1) Associates ($5,000 and up)	886	968	928	1,003	1,068	1,416	2,059	1,599	1,550	1,550	1,550	1,550	1,550	1,550
2) Patrons ($2,500 - $4,999)	-	-	-	-	25	68	100	129	130	130	130	130	130	130
3) Friends ($1,000 - $2,499)	165	162	166	212	360	394	399	456	475	475	475	475	475	475
4) National Council/Other	85	7	10	18	49	61	62	61	60	60	60	60	60	60
5) Mail Drive	181	163	170	109	182	114	146	143	105	105	105	105	105	105
6) Phone Campaign	190	140	92	120	11	77	10	96	95	95	95	95	95	95
7) Business	108	127	64	71	98	117	131	122	150	150	150	150	150	150
8) Foundations	64	54	59	91	88	79	134	88	100	100	100	100	100	100
Totals	1,681	1,821	1,489	1,624	1,879	2,326	3,041	2,694	2,665	2,665	2,665	2,665	2,665	2,665

* Includes support for Proposition "A" bond campaign.

Schedule B

SPECIFIED FUND REVENUE : YEAR 1 - FY 1999-00

$ IN THOUSANDS

DESCRIPTION	BUDGET	SOURCE
CURATORIAL		
AMERICAN ART PERSONNEL COSTS	186,319	ROOT
CONSERVATION PERSONNEL (25% PTGS/OBJECTS)	64,372	ROOT
AMERICAN ART NON-AAA MICROFILM AND BOOKS	12,321	PERRY/BARCLEY
EUROPEAN FURNITURE CONSERVATION	6,000	VELLES MAISON $2K, SCHUMACHER - $3K, TIBURON - $1K
AMERICAN COLLECTION IMAGING	8,979	CAC
CONSERVATION SUPPORT	25,500	COOK - (FAMF)
RARE BOOK AND PORTFOLIO STORAGE	20,000	McNEIL
TAC CONSERVATION INTERN	3,000	TAC
TOTAL CURATORIAL	340,691	
PUBLICATIONS		
GUIDE TO THE EUROPEAN GALLERIES	40,000	MELLON ENDOWMENT INCOME
ANDERSON COLLECTION	5,000	MELLON ENDOWMENT INCOME
KIRILI CATALOG	10,000	KIRILI
WIEDERSPERG COLLECTION	30,000	MELLON ENDOWMENT INCOME
	85,000	
EXHIBITIONS		
BRUCE CONNER	110,000	ROOT
WAYNE THIEBAUD	75,000	ROOT
ST FRANCIS OF ASSISI	96,000	BURKE - $25K, A.WILSEY - $25K, OSHER - $25K, M.WILSEY - $10K, McWILLIAMS - $5K, DOLL - $5K, LIPPI - $1K
KIRILI	13,300	FRENCH CULTURAL GRANT - $3K, ASSOCIATION FRANCAIS - $10K,
MUSEUM PIECES ARTIST'S INVESTIGATE	1,000	FRAENKEL GALLERY
HERZOG AND de MEURON MODEL	25,000	NEW alYOUNG FUND
TOTAL EXHIBITIONS	320,300	
EDUCATION PROGRAMS		
EDUCATION PROGRAM - GENERAL	114,980	CALIFORNIA ARTS COUNCIL (CAC)
SCHOOL PROGRAM - GENERAL	26,500	HEARST - $18.8K, HARRISON - $7.4K, CAC - $700
POET IN THE GALLERIES	13,000	CAC - $5K, HARRISON - $5K, HEARST $4K
MUSEUM AMBASSADORS	92,700	ADAMS - $42.2, HEARST - $5K, LURIE - $2.5K, CAC - $19K, GAP - $10K, PUFFIN - $10K, GELLERT - $4K
DOING AND VIEWING	1,600	CAC - $1,500
GALLERY 1	11,000	CAC(SL)
RESOURCE CENTER FOR EDUCATORS	32,750	CAC(SL)
ARTIST'S' STUDIO	46,750	CAC(SL) - $35K, MCNEIL - $11.8K
COLLEGE STUDIES SLIDES	12,500	McNEIL - $12.6K
BRADLEY ORGAN CONCERTS AND LECTURES	20,000	BRADLEY
TOTAL EDUCATION	372,080	
GENERAL		
de YOUNG TUESDAYS	12,000	ESSEY
FIRST WEDNESDAY EVENINGS	25,348	ESSEY
de YOUNG ADVERTISING AND PROMOTION	50,000	SF FOUNDATION
LEGION NIGHTS - 75TH BIRTHDAY	10,000	ESSEY
TOTAL GENERAL	97,348	
GRAND TOTAL	1,215,619	

SPECIFIED FUND REVENUE : YEAR 2 THROUGH YEAR 6 MODEL

DESCRIPTION		Years 2	Years 3 - 6	SOURCE
CURATORIAL				
AMERICAN ART		300	300	ROOT
	TOTAL CURATORIAL	300	300	
PUBLICATIONS				
		50	50	MELLON ENDOWMENT INCOME
		50	50	
EXHIBITIONS				
AMERICAN ART EXHIBITIONS		100	100	ROOT
		400	200	
	TOTAL EXHIBITIONS	500	300	
EDUCATION PROGRAMS		300	300	GRANTS AND ENDOWMENT INCOME
GENERAL		25	25	
	GRAND TOTAL	1,175	975	

Schedule C

STORES REVENUE PROJECTIONS: YEAR 1 - FY 99-00

1. DeYOUNG STORE

DOLLARS PER HEAD BASED ON 7/98 -6/99 ACTUALS		$1.84
DEYOUNG VISITORS PROJECTION		278,500
DeYOUNG SALES	513,470	
DISCOUNTS @ 6%	(30,808)	
COGS @51%	(261,870)	
NET DeYOUNG SALES	220,792	

2. LEGION STORE

DOLLARS PER HEAD BASED ON 7/98 -6/99 ACTUALS		$2.17
LEGION VISITORS PROJECTION		431,000
LEGION SALES	936,692	
DISCOUNTS @ 5%	(46,835)	
COGS @49%	(458,979)	
NET LEGION SALES	430,878	

3. MERCHANDISING SALES

WHOLESALE	100,000
COGS @ 63%	(63,000)
COMMISSIONS @ 9%	(9,000)
	28,000
ROYALTIES	4,850

SELECTED EXHIBITION GROSS STORE SALES PER VISITOR

GREAT DUTCH PAINTINGS 2/91 - 5/91	1.73
ARMS AND ARMOR 2/92 - 5/92	2.49
TEOTIHUACAN 5/93 - 10/93	2.27
DEAD SEA SCROLLS 2/94 - 6/94	2.45
MONET AT GIVERNY 3/95 - 6/95	6.35
AUDUBON 2/96 - 4/96	2.40
FABERGE 5/96 - 7/96	8.06
BEAT CULTURE 10/96 - 12/96	1.69
LARCO - PERU 5/97 - 8/97	3.75
UTRECHT 9/97 - 11/97	1.65
HARLEM 1/98 - 3/98	3.51
PICASSO 11/98 - 1/99	3.61
IMPRESSIONISTS IN WINTER 1 - 5/99	5.92

4. O'KEEFFE STORE - 2/19/00 - 5/14/00

DOLLARS PER HEAD		$3.50
O'KEEFFE VISITORS PROJECTION		144,300
O'KEEFFE SALES	505,050	
DISCOUNTS @ 5%	(25,253)	
COGS @50%	(252,525)	
NET O'KEEFFE SALES	227,273	

5. ST FRANCIS OF ASSISSI MINI STORE - 7/24/99 - 10/24/99

DOLLARS PER HEAD		$1.30
LEGION VISITORS PROJECTION		113,500
ST FRANCIS SALES	147,550	
DISCOUNTS @ 5%	(7,378)	
COGS @52%	(76,726)	
NET ST FRANCIS SALES	63,447	

6. TOTAL STORE SALES

SALES	2,202,763
DISCOUNTS @ 5%	(110,273)
COGS @ 53%	(1,113,100)
COMMISSIONS & ROYALTIES	(9,000)
TOTAL NET SALES	970,390
PERSONNEL COSTS	411,412
OTHER EXPENSES	94,320
TOTAL EXPENSES	505,732
NET PROFIT FROM OPERATIONS	464,658

Schedule C

STORES REVENUE PROJECTIONS: YEAR 2 - FY 00-01

Dollar per head store sales for the deYoung and Legion stores raised 3% to agree with other expenses CPI assumptions.

1. DeYOUNG STORE

DOLLARS PER HEAD BASED ON 7/98 -6/99 ACTUALS		$1.90
DEYOUNG VISITORS PROJECTION		178,000
DeYOUNG SALES	338,024	DeYOUNG STORE CLOSES 12/31/00
DISCOUNTS @ 6%	(20,281)	
COGS @51%	(172,392)	
NET DeYOUNG SALES	145,350	

2. LEGION STORE

DOLLARS PER HEAD BASED ON 7/98 -6/99 ACTUALS		$2.24
LEGION VISITORS PROJECTION		400,000
LEGION SALES	895,400	
DISCOUNTS @ 5%	(44,770)	
COGS @49%	(438,746)	
NET LEGION SALES	411,884	

3. MERCHANDISING SALES

WHOLESALE	100,000
COGS @ 63%	(63,000)
COMMISSIONS @ 9%	(9,000)
	28,000
ROYALTIES	4,850

SELECTED EXHIBITION GROSS STORE SALES PER VISITOR

GREAT DUTCH PAINTINGS 2/91 - 5/91	1.73
ARMS AND ARMOR 2/92 - 5/92	2.49
TEOTIHUACAN 5/93 - 10/93	2.27
DEAD SEA SCROLLS 2/94 - 6/94	2.45
MONET AT GIVERNY 3/95 - 6/95	6.35
AUDUBON 2/96 - 4/96	2.40
FABERGE 5/96 - 7/96	8.06
BEAT CULTURE 10/96 - 12/96	1.69
LARCO - PERU 5/97 - 8/97	3.75
UTRECHT 9/97 - 11/97	1.65
HARLEM 1/98 - 3/98	3.51
PICASSO 11/98 - 1/99	3.61
IMPRESSIONISTS IN WINTER 1 - 5/99	5.92

7. TOTAL STORE SALES

SALES	1,338,274
DISCOUNTS @ 5%	(65,051)
COGS @ 53%	(674,138)
COMMISSIONS & ROYALTIES	(9,000)
TOTAL NET SALES	590,084
PERSONNEL COSTS	330,850
OTHER EXPENSES	51,790
TOTAL EXPENSES	382,640
NET PROFIT FROM OPERATIONS	207,445

Schedule C

STORES REVENUE PROJECTIONS: YEAR 3 - FY 01-02

Dollar per head store sales for the deYoung and Legion stores raised 3% to agree with other expenses CPI assumptions.

1. DeYOUNG STORE

CLOSED

2. LEGION STORE

DOLLARS PER HEAD BASED ON 7/98 -6/99 ACTUALS		$2.31
LEGION VISITORS PROJECTION		400,000
LEGION SALES	922,261	
DISCOUNTS @ 5%	(46,113)	
COGS @49%	(451,908)	
NET LEGION SALES	424,240	

3. MERCHANDISING SALES

WHOLESALE	100,000
COGS @ 63%	(63,000)
COMMISSIONS @ 9%	(9,000)
	28,000
ROYALTIES	4,850

SELECTED EXHIBITION GROSS STORE SALES PER VISITOR

GREAT DUTCH PAINTINGS 2/91 - 5/91	1.73
ARMS AND ARMOR 2/92 - 5/92	2.49
TEOTIHUACAN 5/93 - 10/93	2.27
DEAD SEA SCROLLS 2/94 - 6/94	2.45
MONET AT GIVERNY 3/95 - 6/95	6.35
AUDUBON 2/96 - 4/96	2.40
FABERGE 5/96 - 7/96	8.06
BEAT CULTURE 10/96 - 12/96	1.69
LARCO - PERU 5/97 - 8/97	3.75
UTRECHT 9/97 - 11/97	1.65
HARLEM 1/98 - 3/98	3.51
PICASSO 11/98 - 1/99	3.61
IMPRESSIONISTS IN WINTER] - 5/99	5.92

4. MAYA STORE - 5/02/02 - 8/02/02

DOLLARS PER HEAD BASED ON TEOTIHUACAN & LARCO		$3.00
MAYA VISITORS PROJECTION		96,200
MAYA SALES	288,600	
DISCOUNTS @ 5%	(14,430)	
COGS @50%	(144,300)	
NET MAYA SALES	129,870	

7. TOTAL STORE SALES

SALES	1,315,711
DISCOUNTS @ 5%	(60,543)
COGS @ 53%	(659,208)
COMMISSIONS & ROYALTIES	(9,000)
TOTAL NET SALES	586,960
PERSONNEL COSTS	346,327
OTHER EXPENSES	40,000
TOTAL EXPENSES	386,327
NET PROFIT FROM OPERATIONS	200,633

Schedule C

STORES REVENUE PROJECTIONS: YEAR 4 - FY 02-03

Dollar per head store sales for the deYoung and Legion stores raised 3% to agree with other expenses CPI assumptions.

1. DeYOUNG STORE

Store Closed

2. LEGION STORE

DOLLARS PER HEAD BASED ON 7/98 -6/99 ACTUALS		$2.37
LEGION VISITORS PROJECTION		400,000
LEGION SALES	949,928	
DISCOUNTS @ 5%	(47,496)	
COGS @49%	(465,465)	
NET LEGION SALES	436,967	

3. MERCHANDISING SALES

WHOLESALE	100,000
COGS @ 63%	(63,000)
COMMISSIONS @ 9%	(9,000)
	28,000
ROYALTIES	4,850

SELECTED EXHIBITION GROSS STORE SALES PER VISITOR

GREAT DUTCH PAINTINGS 2/91 - 5/91	1.73
ARMS AND ARMOR 2/92 - 5/92	2.49
TEOTIHUACAN 5/93 - 10/93	2.27
DEAD SEA SCROLLS 2/94 - 6/94	2.45
MONET AT GIVERNY 3/95 - 6/95	6.35
AUDUBON 2/96 - 4/96	2.40
FABERGE 5/96 - 7/96	8.06
BEAT CULTURE 10/96 - 12/96	1.69
LARCO - PERU 5/97 - 8/97	3.75
UTRECHT 9/97 - 11/97	1.65
HARLEM 1/98 - 3/98	3.51
PICASSO 11/98 - 1/99	3.61
IMPRESSIONISTS IN WINTER 1 - 5/99	5.92

4. MAYA STORE - 5/02/02 - 8/02/02

DOLLARS PER HEAD BASED ON TEOTIHUACAN & LARCO		$3.00
MAYA VISITORS PROJECTION		48,100
MAYA SALES	144,300	
DISCOUNTS @ 5%	(7,215)	
COGS @50%	(72,150)	
NET MAYA SALES	64,935	

5. LEONARDO/POLAND STORE - 8317- 9/31/03

DOLLARS PER HEAD		$2.50
PRINCELY TREASURES VISITORS PROJECTION		144,300
PRINCELY TREASURES SALES	360,750	
DISCOUNTS @ 4%	(14,430)	
COGS @ 47%	(169,553)	
NET PRINCELY TREASURES SALES	176,768	

7. TOTAL STORE SALES

SALES	1,559,828
DISCOUNTS @ 5%	(69,141)
COGS @ 53%	(770,167)
COMMISSIONS & ROYALTIES	(9,000)
TOTAL NET SALES	711,520
PERSONNEL COSTS	392,588
OTHER EXPENSES	41,200
TOTAL EXPENSES	433,788
NET PROFIT FROM OPERATIONS	277,732

Schedule C

STORES REVENUE PROJECTIONS: YEAR 5 - FY 03- 04 THROUGH YEAR 5 FY 04 - 05

Dollar per head store sales for the deYoung and Legion stores raised 3% to agree with other expenses CPI assumptions.

1. DeYOUNG STORE

Store Closed

2. LEGION STORE

DOLLARS PER HEAD BASED ON 7/98 -6/99 ACTUALS		$2.45
LEGION VISITORS PROJECTION		400,000
LEGION SALES	978,426	
DISCOUNTS @ 5%	(48,921)	
COGS @49%	(479,429)	
NET LEGION SALES	450,076	

3. MERCHANDISING SALES

WHOLESALE	100,000
COGS @ 63%	(63,000)
COMMISSIONS @ 9%	(9,000)
	28,000
ROYALTIES	4,850

SELECTED EXHIBITION GROSS STORE SALES PER VISITOR

GREAT DUTCH PAINTINGS 2/91 - 5/91	1.73
ARMS AND ARMOR 2/92 - 5/92	2.49
TEOTIHUACAN 5/93 - 10/93	2.27
DEAD SEA SCROLLS 2/94 - 6/94	2.45
MONET AT GIVERNY 3/95 - 6/95	6.35
AUDUBON 2/96 - 4/96	2.40
FABERGE 5/96 - 7/96	8.06
BEAT CULTURE 10/96 - 12/96	1.69
LARCO - PERU 5/97 - 8/97	3.75
UTRECHT 9/97 - 11/97	1.65
HARLEM 1/98 - 3/98	3.51
PICASSO 11/98 - 1/99	3.61
IMPRESSIONISTS IN WINTER 1 - 5/99	5.92

4. SIX WEEKS OF THREE MONTHS SUMMER EXHIBITION STORE

DOLLARS PER HEAD		$3.00
VISITORS PROJECTION		48,100
EXHIBITION STORE SALES	144,300	
DISCOUNTS @ 5%	(7,215)	
COGS @50%	(72,150)	
NET SALES	64,935	

5. THREE MONTH EXHIBITION STORE

DOLLARS PER HEAD		$3.00
VISITORS PROJECTION		144,300
EXHIBITION STORE SALES	432,900	
DISCOUNTS @ 4%	(17,316)	
COGS @ 47%	(203,463)	
NET SALES	212,121	

7. TOTAL STORE SALES

SALES	1,660,476
DISCOUNTS @ 5%	(73,452)
COGS @ 53%	(818,042)
COMMISSIONS & ROYALTIES	(9,000)
TOTAL NET SALES	759,982
PERSONNEL COSTS	404,299
OTHER EXPENSES	42,436
TOTAL EXPENSES	446,735
NET PROFIT FROM OPERATIONS	313,247

Schedule D

Admissions Projections Summary

	# of visitors	$ per visitor	Gross income	Expenses	Net income	COFAM Revenue
Year 1 FY 99-00						
DeYoung Attractions: Saxe, New Art, Conner	278,580	$2.48	$687,591	$91,224	$596,367	$298,184
Legion Attractions: Bacon, St Francis, Aboriginal, O'Keefe	430,965	$3.44	$1,514,781	$91,224	$1,423,557	$1,423,557
FY 1999-00 Totals	709,545	na	$2,202,372	$182,448	$2,019,924	$1,721,741
Year 2 FY 00-01						
DeYoung Attractions: Closes 12/31/00 Conner, Hicks	178,000	$2.48	$441,440	$47,500	$393,940	$196,970
Legion Attractions: Thiebaud	400,000	$3.44	$1,376,000	$95,000	$1,281,000	$1,281,000
FY 2000-01 Totals	578,000	na	$1,817,440	$142,500	$1,674,940	$1,477,970
Year 3 FY 01-02 Through Year 6 FY 04-05						
DeYoung - Closed						
Legion Attractions: Ongoing Exhibitions	400,000	$3.44	$1,376,000	$97,000	$1,279,000	$1,279,000
Fiscal Year Totals	400,000	na	$1,376,000	$97,000	$1,279,000	$1,279,000

FY 93-94 Actual	-	606,586	606,586	
FY 94-95 Actual	-	882,138	882,138	
FY 95-96 Actual	406,482	491,206	897,688	
FY 96-97 Actual	352,450	570,900	923,350	
FY 97-98 Actual	357,153	314,943	672,096	
FY 98/99 Actual	415,446	333,735	749,181	+ 139,416 Impresssionism @ YBG Center for the Arts = 888,597 visitors

Schedule D

ADMISSIONS REVENUE YEAR 1 - FY 1999 - 2000

Per Visitor Revenue Assumptions

ADMISSION FEES	Legion	deYoung/ Asian
Adult	$8	$7
Senior	6	5
Junior	5	4
Annual Student Pass	10	10
Children under 12	Free	Free

deYoung revenue based on $2.48 per visitor. Based on actuals July 1998 - June 1999

Legion revenue based on $3.44 per visitor.

Legion Admission Fee increase caculated as follows
July 1998 - June 1999 = 2.99 per visitor with 45.31 % paid
45.3% X $1.00 =$.45, $2.99 + $ 45 = $3.44

VISITOR PROJECTIONS	Jul-99 Actual	Aug-99 Actual	Sep-99	Oct-99	Nov-99	Dec-99	Jan-00	Feb-00	Mar-00	Apr-00	May-00	Jun-00	TOTALS
DEYOUNG VISITORS ATTRACTIONS	26,772 Sexe	31,808 Sexe	20,000 Saxe	20,000 Sexe	20,000 Driskell Millennium	25,000 Driskell Millennium	20,000 Driskell Millennium	20,000 Driskell Millennium	20,000 Weldonspring Millennium	20,000 Weldonspring	25,000 Connor (30%)	30,000 Connar Golden Age	278,580
LEGION VISITORS ATTRACTIONS	39,034 Bacon	41,931 St Francis	30,000 St Francis Gantner-Mayer	30,000 St Francis Gantner-Meyer	20,000 Gantner-Mayor	20,000 Gantner-Mayor	20,000	40,000 O'Keeffe (50%	25,000 O'Keeffe Bouquets	55,000 O'Keeffe	35,000 O'Keeffe(50%)	35,000 Thiebaud(50%)	430,965
REVENUE CALCULATIONS													TOTALS 709,545
DEYOUNG ADMISSIONS REVENUE	$62,746	$79,245	$49,600	$49,600	$49,600	$62,000	$49,600	$49,600	$49,600	$49,600	$62,000	$74,400	$687,591
LESS DEYOUNG ADMISSIONS EXPENSE	(7,602)	(7,602)	(7,602)	(7,602)	(7,602)	(7,802)	(7,802)	(7,602)	(7,602)	(7,602)	(7,602)	(7,802)	(91,224)
DEYOUNG ADMISSIONS NET	55,144	71,643	41,998	41,998	41,998	54,398	41,998	41,998	41,998	41,998	54,398	66,598	596,367
LEGION ADMISSIONS REVENUE	153,426	157,355	103,200	103,200	68,800	88,000	68,800	137,800	206,400	189,200	120,400	120,400	1,514,781
LESS LEGION ADMISSIONS EXPENSE	(7,602)	(7,602)	(7,602)	(7,602)	(7,602)	(7,802)	(7,802)	(7,602)	(7,602)	(7,802)	(7,602)	(7,602)	(91,224)
LEGION ADMISSIONS NET	145,824	149,753	95,598	95,598	61,198	78,398	61,198	129,998	198,798	181,598	112,798	112,798	1,423,557
COFAM SHARE OF GENERAL ADMISSIONS = 100% Legion and 50% deYoung/Asian	173,396	185,575	116,597	116,597	82,197	105,597	82,197	150,997	219,797	202,597	139,997	146,197	1,721,741
CUMULATIVE	173,396	358,971	475,568	592,165	674,362	779,959	862,156	1,013,153	1,232,950	1,435,547	1,575,544	1,721,741	1,721,741
AAM SHARE OF GENERAL ADMISSIONS = 50% deYoung Asian	27,572	35,822	20,999	20,999	20,999	27,199	20,999	20,999	20,999	20,999	27,199	33,399	298,184
CUMULATIVE	27,572	63,394	84,393	106,392	126,391	153,590	174,589	195,588	216,587	237,586	264,785	298,184	

Recent Attendance	Legion	deYoung/Asian	Totals
FY 93-94 Actual	0	606586	606586
FY 94-95 Actual	0	882138	882138
FY 95-96 Actual	408,482	491206	897688
FY 96-97 Actual	352450	570,900	923350
FY 97-98 Actual	357153	314943	672096
FY 98-99 Actual	415448	333735	749181 + 139,416 Impressionism @ YBG Center for Arts = 888,597 visitors
FY 98-99 Projections	430965	278580	709545

Exhibition Assumptions

O'Keefe	Legion 2/19/00 - 5/14/00	300 visitors / hour = 144,300 attendance with 60% paid
Thiebaud	Legion 6/10/00 - 9/3/00	176 visitors / hour = 20,475 attendance with 60% paid during fiscal year 99-00

Schedule D

ADMISSIONS REVENUE WORKSHEET: YEAR 2 - FY 2000 - 2001

ADMISSION FEES	Legion	deYoung/ Asian
Adult	$8	$7
Senior	6	5
Junior	5	4
Annual Student Pass	10	10
Children under 12	Free	Free

Per Visitor Revenue Assumptions

deYoung revenue based on $2 46 per visitor

Legion revenue based on $3 44 per visitor

Legion Admission Fee increase caculated as follows
July 1998 - June 1999 = 2 99 per visitor with 45 31 % paid
45 3% X $1 00 =$ 45, $2 99 + $ 45 = $3 44

	Jul-00	Aug-00	Sep-00	Oct-00	Nov-00	Dec-00	Jan-01	Feb-01	Mar-01	Apr-01	May-01	Jun-01	TOTALS
DEYOUNG VISITORS ATTRACTIONS	35,000 Conner Golden Age	35,000 Golden Age	28,000 Golden Age 30%	20,000 Hicks	30,000 Hicks	30,000 Hicks	de Young Closed						178,000
LEGION VISITORS ATTRACTIONS	45,000 Thiebaud	45,000 Thiebaud	25,000	25,000 Anderson	25,000 Anderson	30,000 Anderson	25,000	40,000 Dada	45,000 Dada Bouquets	40,000 Dada	25,000	30,000 Moore	400,000
												TOTALS	578,000
DEYOUNG ADMISSIONS REVENUE	$86,800	$86,800	$69,440	$49,600	$74,400	$74,400							$441,440
LESS DEYOUNG ADMISSIONS EXPENSE	(7,916)	(7,916)	(7,916)	(7,916)	(7,916)	(7,920)							(47,500)
DEYOUNG ADMISSIONS NET	78,884	78,884	61,524	41,684	66,484	66,480	-	-	-	-	-	-	393,940
LEGION ADMISSIONS REVENUE	154,800	154,800	86,000	86,000	86,000	103,200	86,000	137,600	154,800	137,600	86,000	103,200	1,376,000
LESS LEGION ADMISSIONS EXPENSE	(7,916)	(7,916)	(7,916)	(7,916)	(7,916)	(7,916)	(7,916)	(7,916)	(7,916)	(7,916)	(7,916)	(7,924)	(95,000)
LEGION ADMISSIONS NET	146,884	146,884	78,084	78,084	78,084	95,284	78,084	129,684	146,884	129,684	78,084	95,276	1,281,000
COFAM SHARE OF GENERAL ADMISSIONS = 100% Legion and 50% deYoung/Asian	186,326	186,326	108,846	98,926	111,326	128,524	78,084	129,684	146,884	129,684	78,084	95,276	1,477,970
CUMULATIVE	186,326	372,652	481,498	580,424	691,750	820,274	898,358	1,028,042	1,174,926	1,304,610	1,382,694	1,477,970	1,477,970
AAM SHARE OF GENERAL ADMISSIONS = 50% deYoung Asian	39,442	39,442	30,762	20,842	33,242	33,240	-	-	-	-	-	-	196,970
CUMULATIVE	39,442	78,884	109,646	130,488	163,730	196,970	196,970	196,970	196,970	196,970	196,970	196,970	

Recent Attendance	Legion	deYoung/Asian	Totals
FY 93-94 Actual	0	606586	606686
FY 94-95 Actual	0	882136	882136
FY 95-96 Actual	406,482	491206	897688
FY 96-97 Actual	352450	570,900	923350
FY 97-98 Actual	357153	314943	672096
FY 98-99 Actual	415446	333735	749181 + 139,416 Impressionism @ YBG Center for Arts = 888,597 visitors

Exhibition Assumptions

Hicks	deYoung 9/24/00 - 1/7/01	177 visitors / hour = 85,137 attendance with 60% paid
Dada and Surrealism	Legion 2/01 - 5/01	177 visitors / hour = 85,137 attendance with 60% paid
Henry Moore	Legion 6/01 - 9/01	

ADMISSIONS REVENUE WORKSHEET: YEAR 3 - FY 01-02 THROUGH YEAR 6 FY 04-05

ADMISSION FEES	Legion	deYoung/ Asian
Adult	$8	
Senior	6	
Junior	5	
Annual Student Pass	10	
Children under 12	Free	

Per Visitor Revenue Assumptions

Legion revenue based on $3.44 per visitor.

Legion Admission Fee increase caculated as follows
July 1998 - June 1999 = 2.99 per visitor with 45.31 % paid
45.3% X $1.00 =$.45, $2.99 + $.45 = $3.44

	Jul-00	Aug-00	Sep-00	Oct-00	Nov-00	Dec-00	Jan-01	Feb-01	Mar-01	Apr-01	May-01	Jun-01		TOTALS
DEYOUNG VISITORS ATTRACTIONS	CLOSED													-
LEGION VISITORS ATTRACTIONS - TBD	45,000	45,000	30,000	30,000	30,000	35,000	25,000	25,000	35,000	30,000	30,000	40,000		400,000
													TOTALS	400,000
DEYOUNG ADMISSIONS REVENUE														
LESS DEYOUNG ADMISSIONS EXPENSE														
DEYOUNG ADMISSIONS NET	-	-	-	-	-	-	-	-	-	-	-	-		-
LEGION ADMISSIONS REVENUE	154,800	154,800	103,200	103,200	103,200	120,400	86,000	86,000	120,400	103,200	103,200	137,600		1,376,000
LESS LEGION ADMISSIONS EXPENSE	(8,083)	(8,083)	(8,083)	(8,083)	(8,083)	(8,083)	(8,083)	(8,083)	(8,083)	(8,083)	(8,083)	(8,087)		(97,000)
LEGION ADMISSIONS NET	146,717	146,717	95,117	95,117	95,117	112,317	77,917	77,917	112,317	95,117	95,117	129,513		1,279,000
COFAM SHARE OF GENERAL ADMISSIONS = 100% Legion and 50% deYoung/Asian	146,717	146,717	95,117	95,117	95,117	112,317	77,917	77,917	112,317	95,117	95,117	129,513		1,279,000
CUMULATIVE	146,717	293,434	388,551	483,668	578,785	691,102	769,019	846,936	959,253	1,054,370	1,149,487	1,279,000		1,279,000

Recent Attendance	Legion	deYoung/Asian	Totals	
FY 93-94 Actual	-	606,586	606,586	
FY 94-95 Actual	-	882,138	882,138	
FY 95-96 Actual	406,482	491,206	897,688	
FY 96-97 Actual	352,450	570,900	923,350	
FY 97-98 Actual	357,153	314,943	672,096	
FY 98-99 Actual	415,446	333,735	749,181	+ 139,416 Impressionism @ YBG Center for Arts = 888,597 visitors

FOOD AND BEVERAGE CONCESSION FEES PROJECTION : YEAR 1 - FY 1999/00

Dollars per head sales and monthly catering average raised 3% to agree with other expense CPI assumptions

CAFE SALES PER PERSON BASED ON JULY - JUNE 1999

DeYOUNG	$1 26
LEGION	$1 72

CAFE CATERING PER MONTH BASED ON JULY - JUNE 1999 AVERAGE

DeYOUNG	$4,296
LEGION	$50,776

MONTH	DeYOUNG ATTENDANCE	DeYOUNG SALES	DeYOUNG CATERING	TOTAL DeYOUNG	LEGION ATTENDANCE	LEGION SALES	LEGION CATERING	TOTAL LEGION
JULY	28,772	$36,828	$7,856	$44,686	39,074	$67,207	$53,556	$120,763
AUGUST	31,808	40,714	$7,856	48,572	41,931	72,121	$53,556	125,677
SEPTEMBER	20,000	25,600	$7,856	33,456	30,000	51,600	$53,556	105,156
OCTOBER	20,000	25,600	$7,856	33,456	30,000	51,600	$53,556	105,156
NOVEMBER	20,000	25,600	$7,856	33,456	20,000	34,400	$53,556	87,956
DECEMBER	25,000	32,000	$7,856	39,856	25,000	43,000	$53,556	96,556
JANUARY	20,000	25,600	$7,856	33,456	20,000	34,400	$53,556	87,956
FEBRUARY	20,000	25,600	$7,856	33,456	40,000	68,800	$53,556	122,356
MARCH	20,000	25,600	$7,856	33,456	60,000	103,200	$53,556	156,756
APRIL	20,000	25,600	$7,856	33,456	55,000	94,600	$53,556	148,156
MAY	25,000	32,000	$7,856	39,856	35,000	60,200	$53,556	113,756
JUNE	30,000	38,400	$7,856	46,256	35,000	60,200	$53,556	113,756
TOTALS	280,580	$359,142	$94,296	$453,436	431,005	$741,329	$642,672	$1,384,001

CONCESSION FEE SCHEDULE
FISCAL YEAR 1999/00

MONTH	CONCESSION FEES @ 6%	TOTAL REVENUE OVER $55K	CONCESSION FEES @ 10%	TOTAL CONCESSION FEES
JULY	$3,300	$110,449	$11,045	$14,345
AUGUST	3,300	119,250	11,925	15,225
SEPTEMBER	3,300	83,614	8,361	11,661
OCTOBER	3,300	83,614	8,361	11,661
NOVEMBER	3,300	66,414	6,641	9,941
DECEMBER	3,300	81,414	8,141	11,441
JANUARY	3,300	66,414	6,641	9,941
FEBRUARY	3,300	100,814	10,081	13,381
MARCH	3,300	135,214	13,521	16,821
APRIL	3,300	126,614	12,661	15,961
MAY	3,300	98,614	9,861	13,161
JUNE	3,300	105,014	10,501	13,801
TOTALS	$39,600	$1,177,439	$117,744	$157,344

MONTH	TOTAL SALES	TOTAL CATERING	TOTAL REVENUE
JULY	$104,035	$61,414	$165,449
AUGUST	112,836	61,414	174,250
SEPTEMBER	77,200	61,414	138,614
OCTOBER	77,200	61,414	138,814
NOVEMBER	60,000	61,414	121,414
DECEMBER	75,000	61,414	136,414
JANUARY	60,000	61,414	121,414
FEBRUARY	94,400	61,414	155,814
MARCH	128,800	61,414	190,214
APRIL	120,200	61,414	181,614
MAY	92,200	61,414	153,614
JUNE	98,600	61,414	160,014
TOTALS	$1,100,471	$736,968	$1,837,439

FOOD AND BEVERAGE CONCESSION FEES PROJECTION : YEAR 2 - FY 2000/01

Dollars per head sales and monthly catering average raised 3% to agree with other expense CPI assumptions

CAFE SALES PER PERSON BASED ON JULY - JUNE 1999

DeYOUNG	$1.32
LEGION	$1.77

CAFE CATERING PER MONTH BASED ON JULY - JUNE 1999 AVERAGE

DeYOUNG	$4,425
LEGION	$52,299

MONTH	DeYOUNG ATTENDANCE	DeYOUNG SALES	DeYOUNG CATERING	TOTAL DeYOUNG	LEGION ATTENDANCE	LEGION SALES	LEGION CATERING	TOTAL LEGION
JULY	35,000	$46,144	$4,425	$50,569	45,000	$79,722	$52,299	$132,021
AUGUST	35,000	46,144	4,425	50,569	45,000	79,722	52,299	132,021
SEPTEMBER	28,000	36,915	4,425	41,340	25,000	44,290	52,299	96,589
OCTOBER	20,000	26,368	4,425	30,793	25,000	44,290	52,299	96,589
NOVEMBER	30,000	39,552	4,425	43,977	25,000	44,290	52,299	96,589
DECEMBER	30,000	39,552	4,425	43,977	30,000	53,148	52,299	105,447
JANUARY	deYoung Closed				25,000	44,290	52,299	96,589
FEBRUARY					40,000	70,864	52,299	123,163
MARCH					45,000	79,722	52,299	132,021
APRIL					40,000	70,864	52,299	123,163
MAY					25,000	44,290	52,299	96,589
JUNE					30,000	53,148	52,299	105,447
TOTALS	178,000	$234,675	$26,549	$261,224	400,000	$708,640	$627,591	$1,336,231

CONCESSION FEE SCHEDULE
FISCAL YEAR 1999/00

MONTH	CONCESSION FEES @ 6%	TOTAL REVENUE OVER $55K	CONCESSION FEES @ 10%	TOTAL CONCESSION FEES
JULY	$3,300	$127,590	$12,759	$16,059
AUGUST	3,300	127,590	12,759	16,059
SEPTEMBER	3,300	82,929	8,293	11,593
OCTOBER	3,300	72,382	7,238	10,538
NOVEMBER	3,300	85,566	8,557	11,857
DECEMBER	3,300	94,424	9,442	12,742
JANUARY	3,300	41,588	4,159	7,459
FEBRUARY	3,300	68,163	6,816	10,116
MARCH	3,300	77,021	7,702	11,002
APRIL	3,300	68,163	6,816	10,116
MAY	3,300	41,589	4,159	7,459
JUNE	3,300	50,447	5,045	8,345
TOTALS	$39,600	$937,456	$93,746	$133,346

MONTH	TOTAL SALES	TOTAL CATERING	TOTAL REVENUE
JULY	$125,866	$56,724	$182,590
AUGUST	125,866	56,724	182,590
SEPTEMBER	81,205	56,724	137,929
OCTOBER	70,658	56,724	127,382
NOVEMBER	83,842	56,724	140,566
DECEMBER	92,700	56,724	149,424
JANUARY	44,290	52,299	96,589
FEBRUARY	70,864	52,299	123,163
MARCH	79,722	52,299	132,021
APRIL	70,864	52,299	123,163
MAY	44,290	52,299	96,589
JUNE	53,148	52,299	105,447
TOTALS	$943,315	$654,141	$1,597,456

FOOD AND BEVERAGE CONCESSION FEES PROJECTION : YEAR 3 - 6

Dollars per head sales and monthly catering average raised 3% to agree with other expense CPI assumptions

CAFE SALES PER PERSON BASED ON JULY - JUNE 1999

DeYOUNG
LEGION $1.82

CAFE CATERING PER MONTH BASED ON JULY - JUNE 1999 AVERAGE

DeYOUNG
LEGION $53,868

MONTH	DeYOUNG ATTENDANCE	DeYOUNG SALES	DeYOUNG CATERING	TOTAL DeYOUNG
JULY	C			
AUGUST	L			
SEPTEMBER	O			
OCTOBER	S			
NOVEMBER	E			
DECEMBER	D			
JANUARY				
FEBRUARY				
MARCH				
APRIL				
MAY				
JUNE				
TOTALS	0	$0	$0	$0

LEGION ATTENDANCE	LEGION SALES	LEGION CATERING	TOTAL LEGION
45,000	$82,114	$53,868	$135,982
45,000	82,114	53,868	135,982
30,000	54,742	53,868	108,611
30,000	54,742	53,868	108,611
30,000	54,742	53,868	108,611
35,000	63,866	53,868	117,734
25,000	45,619	53,868	99,487
25,000	45,619	53,868	99,487
35,000	63,866	53,868	117,734
30,000	54,742	53,868	108,611
30,000	54,742	53,868	108,611
40,000	72,990	53,868	126,858
400,000	$729,899	$646,419	$1,376,318

CONCESSION FEE SCHEDULE
FISCAL YEAR 1999/00

MONTH	CONCESSION FEES @ 6%	TOTAL REVENUE OVER $55K	CONCESSION FEES @ 10%	TOTAL CONCESSION FEES
JULY	$3,300	$80,982	$8,098	$11,398
AUGUST	3,300	80,982	8,098	11,398
SEPTEMBER	3,300	53,611	5,361	8,661
OCTOBER	3,300	53,811	5,361	8,661
NOVEMBER	3,300	53,611	5,361	8,661
DECEMBER	3,300	62,734	6,273	9,573
JANUARY	3,300	44,487	4,449	7,749
FEBRUARY	3,300	44,487	4,449	7,749
MARCH	3,300	62,734	6,273	9,573
APRIL	3,300	53,811	5,361	8,661
MAY	3,300	53,611	5,361	8,661
JUNE	3,300	71,866	7,186	10,486
TOTALS	$39,600	$716,318	$71,632	$111,232

MONTH	TOTAL SALES	TOTAL CATERING	TOTAL REVENUE
JULY	$82,114	$53,868	$135,982
AUGUST	82,114	53,868	135,982
SEPTEMBER	54,742	53,868	108,611
OCTOBER	54,742	53,868	108,611
NOVEMBER	54,742	53,868	108,611
DECEMBER	63,866	53,868	117,734
JANUARY	45,619	53,868	99,487
FEBRUARY	45,619	53,868	99,487
MARCH	63,868	53,868	117,734
APRIL	54,742	53,868	108,611
MAY	54,742	53,868	108,611
JUNE	72,990	53,868	126,858
TOTALS	$729,899	$646,419	$1,376,318

Schedule F

Exhibition Program Summary

$ in thousands

	Fiscal Year	Cost	Gifts/ Grants	Earned Income	Net	Notes
Actuals	92/93	$1,044	$892	$415	$263	Teotihuacan
	93/94	741	619	822	700	Dead Sea Scrolls
	94/95	927	146	1,021	240	Monet
	95/96	1,997	1,282	521	(194)	Faberge
	96/97	1,714	686	666	(362)	Faberge
	97/98	1,429	298	425	(706)	Utrecht, Harlem
Pre-Audit	98/99	2,924	524	1,881	(519)	Picasso, Impressionism, V&A
Year 1	99/00	1,521	320	236	(965)	O'Keefe, St Francis, Thiebaud
Year 2	00/01	1,116	500	150	(466)	Thiebaud, Hicks, Dada
Year 3	01/02	1,500	300	300	(900)	Maya
Year 4	02/03	1,800	300	850	(650)	Maya, Poland or Princely Treasures, American Art tours ($250K net)
Year 5	03/04	1,800	300	850	(650)	American Art tours ($250K net)
Year 6	04/05	1,500	300	300	(900)	

Schedule "F" -- Exhibition Program - Year 1 - FY 1999-2000

		Venue	(1) Runs		(2) Cost		(3) Gifts and Grants		(4) Income		(5) Net	
					Original	Revised	Original	Revised	Original	Revised	Original	Revised
	In-House Exhibitions											
	de Young											
1	Theater and Dance Collection (for Nancy Baer) (118)	D	01-May-99	05-Sep-99	1,901						(1,901)	
2	Saxe Collection (183)	D	26-Jun-99	17-Oct-99	22,713						(22,713)	
3	Wedding Dresses from Permanent Collection (136)	D	01-Dec-99	01-Jun-00	6,181						(6,181)	
4	Art for Elders	D	28-Sep-99	03-Oct-99	-						0	
5	Herzog and de Meuron Model (128)	D	14-Oct-99	02-Jan-00	25,560		25,000	New de Young			(560)	
6	The Wiedersperg Collection (169)	D	18-Dec-99	30-Jun-00	68,762						(68,762)	
7	Artists Investigate the de Young (Helfand) (187)	D	20-Nov-99	12-Mar-00	100,503		1,000	Frankel Gallery			(99,503)	
8	Narratives of African Am. Art: David Driskell (113)	D	20-Nov-99	13-Feb-00	49,464						(49,464)	
9	Achenbach TBA (137)	D	Jan 22-00	15-Apr-00	9,472						(9,472)	
10	Costumes (TBA) changed	D	01-Feb-00	01-Aug-00	-						0	
11	Hands and Minds (cancelled)	D	11-Mar-00	15-Apr-00	-						0	
12	Leonard Baskin (131)	D	29-Apr-00	06-Aug-00	10,182						(10,182)	
13	Textiles: Recent Acquisitions (138)	D	05-May-00	01-Nov-00	5,888						(5,888)	
14	Youth Arts Festival	D	02-May-00	14-May-00	-						0	
15	Bruce Conner (178)	D	21-May-00	30-Jul-00	187,987		110,000	Root			(77,987)	
			Subtotal de Young		488,613	-	136,000	-	-	-	(352,613)	

Continued.

		Venue	(1) Runs		(2) Cost		(3) Gifts and Grants		(4) Income		(5) Nets	
					Original	Revised	Original	Revised	Original	Revised	Original	Revised
	Legion											
17	Claes Oldenberg (162)	L	05-Jun-99	19-Sep-99	-						0	
18	Francis Bacon (108)	L	12-Jun-99	02-Aug-99	8,721						(8,721)	
19	The Treasury of St. Francis of Assisi (172)	L	24-Jul-99	14-Nov-99	243,749		96,000	Burke, A. Wilsey, Osher, M. Wilsey, McWilliams, Doll, Lippi			(147,749)	
20	Logan Book Gallery (3 rotations) (165)	L	ongoing		9,360						(9,360)	
21	Reinstall Legion Gallery 1 (166)	L	28-Aug-99	ongoing	5,804						(5,804)	
22	Anderson: Richard Diebenkorn's 41 Etchings (120)	L	25-Sep-99	30-Jan-00	14,046						(14,046)	
23	Alain Kirili:Dialogue with Rodin (126)	L	09-Oct-99	02-Jan-00	31,063		13,300	Fr. Cult. Grant, Association Francais			(17,763)	
24	Gantner-Myer Collection of Aboriginal Art (180)	L	18-Sep-99	09-Jan-00	125,767		0	Net.com			(125,767)	
25	Anderson: Legendary Lithography:Prints from ULAE(117	L	05-Feb-00	14-May-00	12,506						(12,506)	
26	Georgia O'Keeffe: Poetry of Things (103)	L	19-Feb-00	14-May-00	319,155			Claritin reimb	193,160		(125,995)	
									300/hour adm., 60% paid @ $2, 520# audio			
27	Bouquets to Art	L	14-Mar-00	18-Mar-00	-						0	
28	Wayne Thiebaud (144)	L	10-Jun-00	03-Sep-00	252,531		75,000	Root	32,570		(144,961)	
									175/hr adm., 60% paid @ $2, 98k audio			
		Subtotal Legion			1,022,702	-	184,300	-	225,730	-	(612,672)	
		Subtotal In House			1,511,315	-	320,300	-	225,730	-	(965,285)	
	FAM Travelling Exhibitions											
29	City Hall (153)		01-Oct-99	30-Jun-00	10,000						(10,000)	
30	Ancient Glass from the Holy Land (may travel to DC)								10,000		10,000	
31	Thiebaud (travels in 00/01)										0	
32	Charles Jones (hope to travel)										0	
33	Gantner Myer (hope to travel)										0	
	Subtotal Traveling Tours				10,000	0	0	0	10,000	0	0	
	Total In House and Traveling Exhibitions				1,521,315	-	320,300	-	235,730	-	(965,285)	

Schedule "F"- Exhibition Program: Year 2 - FY 00-01

		Venue	(1) Runs		(2) Cost		(3) Gifts and Grants		(4) Income		(5) Nets	
					Original	Revised	Original	Revised	Original	Revised	Original	Revised
	In-House Exhibitions											
	de Young											
1	Bruce Conner (178)	D	21-May-00	30-Jul-00	$ 15,750						(15,750)	
2	African Galleries rotation (Loren/Gutmann)	D	01-Jul-00	ongoing	$ 25,000						(25,000)	
3	Textile galleries	D	8-1-00	1-1-01	$ 25,000						(25,000)	
4	The Kingdoms of Edward Hicks (106)	D	24-Sep-00	07-Jan-01	$ 203,658		100,000	Root			(103,658)	
5	Costume rotation	D			9,000						(9,000)	
		Subtotal de Young			272,408	-	100,000	-	-	-	(172,408)	
	Legion											
6	Wayne Thiebaud (144)	L	10-Jun-00	03-Sep-00	$ 60,000						(60,000)	
7	Anderson Collection of Graphic Arts	L	07-Oct-00	31-Dec-00	$ 150,000						(150,000)	
8	R. Crumb	L	15-Jan-01	15-Mar-01	$ 25,000						(25,000)	
9	Dada and Surrealism from Arturo Schwarz Coll	L	01-Feb-01	01-May-01	$ 200,000		200,000	Goldsmith			0	
10	Gallery 1-5	L	01-Apr-99	01-Jun-99	$ 20,000						(20,000)	
11	3 Andersons rotations	L			30,000						(30,000)	
12	3 Logan rotations	L			9,000						(9,000)	
		Subtotal Legion			494,000	-	200,000	-	-	-	(294,000)	
13	Grants and Gifts To Be Raised						200,000				200,000	
		Subtotal In-House Exhibits			766,408	0	500,000	0 -	0	0	(466,408)	
	FAM Travelling Exhibitions											
14	Thiebaud to Ft. Worth				$ 25,000				75,000		50,000	
15	Thiebaud to Phillips				$ 25,000				75,000		50,000	
	Subtotal Traveling Tours				$ 50,000	0	0	0	150,000	0	100,000	
	Total In House and Treveling Exhibitions				$ 816,408	0	500,000	0	150,000	0	(366,408)	

Schedule G

MEMBERSHIP HISTORY AND PROJECTIONS

	Fiscal Year	# of paid members @ 6/30	Revenue per member	Gross Revenue	
Actuals	88-89	47,384	$52.26	$2,476,288	
	89-90	45,724	53.47	2,444,862	
	90-91	42,979	53.88	2,315,898	
	91-92	44,472	53.33	2,371,897	Legion closes 3/31/92
	92-93	35,859	59.36	2,128,590	Legion closed
	93-94	36,254	59.32	2,150,587	Legion closed
	94-95	48,975	58.01	2,841,040	Legion closed, Monet
	95-96	46,294	51.96	2,405,394	Legion opens 11/95
	96-97	46,288	53.81	2,490,908	
	97-98	42,777	54.75	2,342,041	
Pre-Audit	98-99	50,689	55.34	2,805,168	Picasso, Impressionists
Year 1	99-00	45,000	60.86	2,738,700	Loss from Year 1
Year 2	00-01	40,000	60.86	2,434,400	(304,300) deYoung closes 12/31/00
Year 3	01-02	35,000	60.86	2,130,100	(608,600)
Year 4	02-03	35,000	60.86	2,130,100	(608,600)
Year 5	03-04	35,000	60.86	2,130,100	(608,600)
Year 6	04-05	40,000	60.86	2,434,400	(304,300)

Schedule G

PAID MEMBERSHIP HISTORY 1989 -1999

Fiscal Year	Seniors	%	Participating	%	Contributing	%	Donor	%	Sponsor	%	Patron	%	Family	%	Art Point	%	Total Paid Members	Gross Revenue	Dollars Per Member
88/89	14,803	31.2%	26,462	60.1%	3,024	6.4%	774	1.6%	132	0.3%	190	0.4%	0	0.0%	-	0.0%	47,384	$2,476,393	$52.26
89/90	15,663	34.3%	25,686	56.2%	3,241	7.1%	765	1.7%	130	0.3%	239	0.5%	0	0.0%	-	0.0%	45,724	$2,444,928	$53.47
90/91	14,034	32.7%	24,525	57.1%	3,367	7.8%	708	1.6%	134	0.3%	211	0.5%	0	0.0%	-	0.0%	42,979	$2,315,898	$53.88
91/92	14,982	33.7%	23,833	53.6%	3,218	7.2%	693	1.6%	136	0.3%	202	0.5%	1,408	3.2%	-	0.0%	44,472	$2,371,942	$53.34
92/93	12,969	36.2%	16,639	46.4%	2,867	8.0%	676	1.9%	136	0.4%	175	0.5%	2,397	6.7%	-	0.0%	35,859	$2,128,600	$59.36
93/94	13,809	38.1%	14,930	41.2%	3,175	8.8%	682	1.9%	132	0.4%	165	0.5%	3,298	9.1%	63	0.2%	36,254	$2,150,597	$59.32
94/95	15,821	32.3%	21,989	44.9%	3,970	8.1%	747	1.5%	150	0.3%	161	0.3%	5,995	12.2%	162	0.3%	48,975	$2,841,055	$58.01
95/96	16,410	35.4%	19,726	42.6%	3,682	8.0%	699	1.5%	145	0.3%	1	0.0%	5,291	11.4%	340	0.7%	46,294	$2,405,384	$51.96
96/97	17,380	37.6%	19,001	41.0%	3,552	7.7%	744	1.6%	125	0.3%	-	0.0%	5,235	11.3%	241	0.5%	46,288	$2,400,008	$53.81
97/98	16,220	37.9%	16,983	39.7%	3,556	8.3%	737	1.7%	142	0.3%	-	0.0%	4,734	11.1%	403	0.9%	42,777	$2,341,971	$54.75
98/89	18,240	36.0%	19,663	38.8%	4,538	9.0%	983	1.9%	168	0.3%	-	0.0%	6,711	13.2%	387	0.8%	50,690	$2,814,128	$55.52
Variance 88/89 - 98/99	3,437	4.7%	(6,799)	-21.3%	1,514	2.6%	209	0.3%	36	0.1%	(190)	-0.4%	6,711	13.2%	387	0.8%	3,306	$337,735	$2.49

MEMBERSHIP DUES RATES

Fiscal Year	Seniors	Participating	Contributing	Donor	Sponsor	Patron	Family	Art Point
88/89	$30	$45	$100	$250	$500	$1,000	Non-existent	Non-existent
89/90	$30	$45	$100	$250	$500	$1,000	Non-existent	Non-existent
90/91	$30	$45	$100	$250	$500	$1,000	Non-existent	Non-existent
91/92	$30	$45	$100	$250	$500	$1,000	$60	Non-existent
92/93	$35	$60	$100	$250	$500	$1,000	$60	Non-existent
93/94	$35	$50	$100	$250	$500	$1,000	$60	$60
94/95	$35	$50	$100	$250	$500	$1,000	$60	$60
95/96	$35	$50	$100	$250	$500	Discontinued	$60	$60
96/97	$35	$50	$100	$250	$500	Discontinued	$60	$60
97/98	$35	$50	$100	$250	$500	Discontinued	$60	$75
98/99	$40	$50	$100	$250	$500	Discontinued	$60	$75
99/00	$40	$60	$125	$250	$500	Discontinued	$70	$75
Starting 05-06	$50	$75	$150	$300	$500		$80	$80

Schedule "H" -- COFAM Other Expense Summary FY 1999-00

Division / Departments	(1) FY 1997-98 Actuals	(2) FY 1998-99 Pre-Audit Results	(3) FY 1999-00 Year 1	(4) FY 2000-01 Year 2	(5) FY 2001-02 Year 3	(6) FY 2002-03 Year 4	(7) FY 2003-04 Year 5	(8) FY 2004-05 Year 6	(9) Notes
Curatorial / Conservation									
101 Office of the Chief Curator	56,783	51,396	57,500	59,225	61,002	62,832	64,717	66,658	
101-861 Ancient Art & Interpretation	1,646	987	1,800	1,854	1,910	1,967	2,026	2,087	
103 Library	48,990	39,568	36,135	37,219	38,336	39,486	40,670	41,890	
104 Registration	20,582	47,600	41,325	42,565	43,842	45,157	46,512	47,907	
104-743 Registration: Loans Out - Reimbursable	9,965	2,495	10,000	10,300	10,609	10,927	11,255	11,593	
104-811 Registration: Acquisitions Freight	5,034	8,424	10,000	10,300	10,609	10,927	11,255	11,593	
105 Permanent Collection Maintenance	2,963	4,106	5,000	5,150	5,305	5,464	5,628	5,796	
106 Photo Services	22,388	9,492	10,000	10,300	10,609	10,927	11,255	11,593	
106-778 Collection Digitization	24,129	15,916	30,000	30,900	31,827	32,782	33,765	34,778	
106-816 American Collection Digitization	2,344	13,722	-	-	-	-	-	-	
108-952 Thinker.org	27,597	40,379	31,200	32,136	33,100	34,093	35,116	36,169	
111 European Art	2,112	1,314	1,750	1,803	1,857	1,912	1,970	2,029	
112 American Art	2,001	4,036	500	515	530	546	563	580	
112-736 American Art Study Center	-	8,529	2,100	2,163	2,228	2,295	2,364	2,434	
112-750 Archives of American Art	2,886	3,104	2,000	2,060	2,122	2,185	2,251	2,319	
112-813 American Art: Demuth Catalogue Research	10,000	-	-	-	-	-	-		
113 Textiles	17,153	3,087	1,503	1,548	1,595	1,642	1,692	1,742	
113-730 McCoy Jones Project	8	7,840	30,537	31,453					
113-769 Wiedersperg Carpet Prep	-	3,810	-	-	-	-	-	-	
115 Achenbach	7,805	8,905	8,500	8,755	9,018	9,288	9,567	9,854	
115-825 Rare Book and Portfolio Care		40	25,000	-	-	-	-	-	
115-795 Andersen Multi Media		6,500	11,500	-	-	-	-	-	
117 AOA	3,090	2,433	990	1,020	1,050	1,082	1,114	1,148	
117-771 AOA: Stele - Installation		3,260	7,000	-	-	-	-	-	
121 Paintings Conservation	5,477	10,770	10,600	10,918	11,246	11,583	11,930	12,288	
121-768 Ptgs Consv: Contract Lab Work	4,072	-	-	-	-	-	-	-	
121-785 Da Sesto Painting Conservation	80	3,062	3,253	-	-	-	-	-	

Schedule "H" -- COFAM Other Expense Summary FY 1999-00

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Division / Departments	FY 1997-98 Actuals	FY 1998-99 Pre-Audit Results	FY 1999-00 Year 1	FY 2000-01 Year 2	FY 2001-02 Year 3	FY 2002-03 Year 4	FY 2003-04 Year 5	FY 2004-05 Year 6	Notes
122 Textiles Conservation	6,971	7,512	6,270	6,458	6,652	6,851	7,057	7,269	
122-727 Prudence Tapestry Conservation	1,825	1,920	-	-	-	-	-	-	
122-739 Tex Consv: Contract Work	2,879	6,724	5,000	5,150	5,305	5,464	5,628	5,796	
122-748 Tex Consv: Storage Pest Control	714	1,156	2,970	3,059	3,151	3,245	3,343	3,443	
122-749 Tex Consv: Textile Storage Boxes	-	5,305	-	-	-	-	-	-	
122-795 Tex Consv: IMS FortitudeTapestry Treatment	225	-	-	-	-	-	-	-	
123 Paper Conservation	6,707	7,257	3,900	4,017	4,138	4,262	4,389	4,521	
123-744 Paper Conservation -- Regional Lab	3,635	2,239	5,000	5,150	5,305	5,464	5,628	5,796	
124 Objects Conservation	3,618	1,837	7,150	7,365	7,585	7,813	8,047	8,289	
124-740 Objects Consv: Contract Work	16,138	8,999	9,150	9,425	9,707	9,998	10,298	10,607	
124-786 Upholstery Fund	585	0	2,150	2,215	2,281	2,349	2,420	2,492	
124-788 Objects Consv: Ormolu Conservation	-	982	-	-	-	-	-	-	
124-790 Objects Consv: Airport Exhibition Projects	30,489	24,481	36,800	37,904	39,041	40,212	41,419	42,661	
Subtotal Curatorial and Conservation	350,891	369,167	416,583	380,925	359,956	370,755	381,877	393,334	
Education									
131 Ed: School Program	44,424	42,416	42,642	43,921	45,239	46,596	47,994	49,434	
132-732 Education Department Benefit	-	14,321	-	-	-	-	-	-	
131-734 Ed: Poet-In-The-Galleries	17,644	11,070	6,400	6,652	6,912	9,179	9,454	9,738	
131-746 Ed: Trustees Education Committee	200	308	648	667	687	708	729	751	
131-756 Ed: Gallery 1 Education Room	1,883	65	1,000	-	-	-	-	-	
131-757 Ed: Youth Arts Festival	19,556	21,294	20,000	-	-	-	-	-	
131-762 Ed: Teachers Resource Center	-	2,912	23,750	-	-	-	-	-	
131-793 Ed: Reading Rooms	510	-	1,560	1,607	1,655	1,705	1,756	1,808	
131-826 Ed: Artists' Studio		-	30,500	-	-	-	-	-	
131-827 Ed: College Slides		-	12,500	-	-	-	-	-	
131-XXX Education Tower +									
133 Ed Museum Ambassadors	10,867	9,599	7,800	8,034	8,275	8,523	8,779	9,042	
134 Ed: Trucks/Classes/Demos	6,035	1,904	3,330	3,430	3,533	3,639	3,748	3,860	
134-798 Ed: Doing & Viewing - deYoung	-	5,432	8,660	-	-	-	-	-	

Schedule "H" -- COFAM Other Expense Summary FY 1999-00

Division / Departments	(1) FY 1997-98 Actuals	(2) FY 1998-99 Pre-Audit Results	(3) FY 1999-00 Year 1	(4) FY 2000-01 Year 2	(5) FY 2001-02 Year 3	(6) FY 2002-03 Year 4	(7) FY 2003-04 Year 5	(8) FY 2004-05 Year 6	(9) Notes
134-799Ed: Doing & Viewing - Legion	-	2,348	2,540	2,616	2,695	2,776	2,859	2,945	
135 - Adult Education Programs	51,896	45,481	77,500	50,000	50,000	50,000	50,000	50,000	
135-701 Ed: Legion Organ Concerts	48,300	25,018	20,000	20,600	21,218	21,855	22,510	23,185	
141 Ed: Docent Council - General	11,895	18,865	20,390	21,002	21,632	22,281	22,949	23,638	
142 Ed: Docent Council - Western	6,642	6,176	7,790	8,024	8,264	8,512	8,768	9,031	
143 Ed: Docent Council - AOA	2,550	3,052	5,380	5,541	5,708	5,879	6,055	6,237	
Subtotal Education	222,204	210,259	292,390	174,084	177,817	181,652	185,601	189,669	
Curatorial / Conservation / Education	573,095	579,426	708,973	555,019	537,773	552,406	567,479	583,003	
Publications									
102-XXX Publications: Works-In-Progress	(1,659)	(8,602)	85,000	50,000	50,000	50,000	50,000	50,000	
Exhibit Group									
231 Exhibit Planning	31,723	29,935	27,000	27,810	28,644	29,504	30,389	31,300	
231-105 Nash Picasso Sabatical	10,936	-	-	-					
232 Graphic Design	30,882	14,237	15,400	10,000	10,300	10,609	10,927	11,255	
233 Technicians	33,112	42,605	61,889	50,000	51,500	53,045	54,636	56,275	
233-794 Gallery Lighting	-	11,023	27,680	15,000	15,450	15,914	16,391	16,883	
Subtotal Exhibition Group	106,653	97,800	131,969	102,810	105,894	109,071	112,343	115,714	
Exhibit Program									
24X-XXX Exhibit Program	1,277,404	2,610,896	1,224,078	807,000	1,179,000	1,166,000	1,153,000	1,139,000	
Subtotal Curatorial Division	1,955,503	3,279,520	2,150,020	1,514,829	1,872,667	1,877,477	1,882,822	1,887,716	
DEVELOPMENT DIVISION									
Development General									
301 Office of the Dep Dir Development	97,246	81,625	49,060	50,532	52,048	53,609	55,217	56,874	
302 Government/Foundation Grants	4,064	3,908	2,675	2,755	2,838	2,923	3,011	3,101	
303 Corporate Fundraising	2,990	22,809	9,000	9,270	9,548	9,835	10,130	10,433	
311 Individual Support Under $5,000	(1,925)	444	8,082	8,324	8,574	8,831	9,096	9,369	
312 Mail Campaign	56,446	63,341	54,000	55,620	57,289	59,007	60,777	62,601	

Schedule "H" -- COFAM Other Expense Summary FY 1999-00

Division / Departments	(1) FY 1997-98 Actuals	(2) FY 1998-99 Pre-Audit Results	(3) FY 1999-00 Year 1	(4) FY 2000-01 Year 2	(5) FY 2001-02 Year 3	(6) FY 2002-03 Year 4	(7) FY 2003-04 Year 5	(8) FY 2004-05 Year 6	(9) Notes
313 Friends and Patrons ($1,000 - $4,999)	2,843	1,659	-	-	-	-	-	-	
314 Phone Campaign	1,139	43,777	55,000	56,650	58,350	60,100	61,903	63,760	
321 Associates ($5,000 up)	1,577	7	8,825	9,090	9,362	9,643	9,933	10,231	
322 Trips	217,166	232,642	212,500	212,500	212,500	212,500	212,500	212,500	
323 Nat'l Council	4,834	5,748	8,311	8,560	8,817	9,082	9,354	9,635	
331-XXX FAM Development Events	154,516	160,932	176,438	181,731	187,183	192,799	198,583	204,540	
332-XXX Exhibition Openings	63,548	109,713	-	-	-	-	-	-	
Subtotal Development	604,242	746,605	583,891	595,033	606,509	618,329	630,504	643,044	
Benefits/ Art Point									
112-736 American Art Studies Benefit	31,867	-	33,000	33,000	33,000	33,000	33,000	33,000	
305 Art Point	51,671	116,290	110,510	113,825	117,240	120,757	124,380	128,111	
333-XXX Christmas Gala	83,461	8,401	65,515	67,000	67,000	67,000	67,000	67,000	
Subtotal Benefits/Art Point	166,999	126,691	209,025	213,825	217,240	220,757	224,380	228,111	
MEMBERSHIP SERVICES									
341 Membership General	179,372	197,640	173,100	158,680	142,200	146,486	150,860	155,386	
342 Members Events	61,623	55,471	40,200	36,850	33,000	33,990	35,010	36,060	
343 Membership Promotion	135,682	269,569	229,000	235,870	242,946	250,234	257,742	265,474	
351 Data Base Services	25,719	15,387	19,672	20,262	20,870	21,496	22,141	22,805	
Subtotal Membership	402,396	538,067	461,972	451,662	439,016	452,187	465,752	479,725	
362-3 Member Magazine	243,254	94,965	188,000	172,340	154,450	159,084	163,856	168,772	
363-7 Members' Guide		155,736	149,000	136,588	122,400	126,072	129,854	133,750	
Subtotal Members' Publications	243,254	250,701	337,000	308,928	276,850	285,156	293,710	302,521	
Subtotal Development Division	1,416,891	1,662,064	1,591,888	1,569,448	1,539,615	1,576,428	1,614,346	1,653,402	
ADMINISTRATIVE DIVISION									
Administration General									
401 Office of the Director	55,228	67,794	67,000	69,010	71,080	73,213	75,409	77,671	
401-611 Proposition "A" Bond Support	560,000	-	-	-	-	-	-	-	

Schedule "H" -- COFAM Other Expense Summary FY 1999-00

Division / Departments	(1) FY 1997-98 Actuals	(2) FY 1998-99 Pre-Audit Results	(3) FY 1999-00 Year 1	(4) FY 2000-01 Year 2	(5) FY 2001-02 Year 3	(6) FY 2002-03 Year 4	(7) FY 2003-04 Year 5	(8) FY 2004-05 Year 6	(9) Notes
402 Audience Development	68,643	58,386	25,000	25,750	26,523	27,318	28,138	28,982	
422 Gould Theater	390	8,885	10,000	10,300	10,609	10,927	11,255	11,593	
456-710 de Young First Wednesday Nights	27,760	28,822	32,090	-	-	-	-	-	
441 Accounting -- General	124,179	156,291	141,550	145,797	150,170	154,678	159,316	164,095	
442 Admissions - de Young	4,792	4,538	2,500	-	-	-	-	-	
442 Admissions - Legion	4,792	4,975	4,500	4,635	4,774	4,917	5,065	5,217	
451 Administration -- General	506,393	611,829	595,022	612,873	631,259	650,197	669,703	689,794	
454 Legion Administrator / Maintenance & Repair	7,977	31,904	28,600	29,458	30,342	31,252	32,190	33,155	
454-809 Legion Tuesdays	96,693	86,526	88,400	91,936	95,613	99,438	103,415	107,552	
454-719 de Young Tuesdays	-	96,572	100,000	-	-	-	-	-	
456 Human Resources / de Young Administrator	-	-	11,500	5,000	5,150	5,305	5,464	5,628	
471 Board of Trustees	13,247	12,928	8,310	8,559	8,816	9,081	9,353	9,634	
Subtotal Administration	1,468,092	1,169,450	1,114,472	1,003,317	1,034,336	1,066,323	1,099,307	1,133,320	
MEDIA RELATIONS & ADVERTISING									
501 Marketing General	7,038	-	-	-	-	-	-	-	
411 Media Relations	56,499	57,098	49,500	40,000	41,200	42,436	43,709	45,020	
Subtotal Media Relations	63,537	57,098	49,500	40,000	41,200	42,436	43,709	45,020	
ADVERTISING									
412 Promotional Brochures	14,764	12,911	22,000	14,000	14,420	14,853	15,298	15,757	
414 Institutional Advertising	105,843	69,525	150,000	154,500	159,135	163,909	168,826	173,891	
415-XXX Exhibition Advertising	172,593	282,092	240,000	247,200	254,616	262,254	270,122	278,226	
416 Advertising General	7,969	3,074	10,000	10,300	10,609	10,927	11,255	11,593	
Subtotal Advertising	301,169	367,602	422,000	426,000	438,780	451,943	465,502	479,467	
Subtotal Media / Advertising	364,706	424,700	471,500	466,000	479,980	494,379	509,211	524,487	
New deYoung Planning	431,851	538,166	-	-					
Operations Group									
202 Warehouse	149,375	161,043	168,960	175,718	182,747	190,057	197,659	205,566	
203 Security	44,529	50,641	50,720	50,000	45,000	40,000	41,200	42,436	

Schedule "H" -- COFAM Other Expense Summary FY 1999-00

Division / Departments	(1) FY 1997-98 Actuals	(2) FY 1998-99 Pre-Audit Results	(3) FY 1999-00 Year 1	(4) FY 2000-01 Year 2	(5) FY 2001-02 Year 3	(6) FY 2002-03 Year 4	(7) FY 2003-04 Year 5	(8) FY 2004-05 Year 6	(9) Notes
204 Engineering -- de Young	52,316	34,969	33,000	15,000	0	0	0	0	
204-818 Engineering -- Legion	47,668	29,679	44,025	45,346	46,706	48,107	49,551	51,037	
208-614 233 Post, Floors Mezzanine, 3, 5 & 6	157,963	168,921	165,842	170,920	176,048	181,329	186,769	192,372	
211 Courier Vehicle Op	5,278	1,398	3,100	3,193	3,289	3,387	3,489	3,594	
212 Health and Safety	4,359	3,065	3,850	3,966	4,084	4,207	4,333	4,463	
214 Pest Control	13,660	13,963	12,690	13,071	13,463	13,867	14,283	14,711	
215 Custodial - de Young	32,645	40,246	36,495	18,000	-	-	-	-	
215-819 Custodial - Legion	51,244	52,549	74,888	77,135	79,449	81,832	84,287	86,816	
216 Visitor Services - General	1,258	21	500	515	530	546	563	580	
217 Volunteer Council	7,143	8,725	8,302	5,000	5,150	5,305	5,464	5,628	
218 Flower Committee	20,698	11,966	12,000	6,000	6,180	6,365	6,556	8,753	
219 - ADA Disabled	4,715	5,150	5,085	5,238	5,395	5,557	5,723	5,895	
Subtotal Operations Group	592,871	582,356	619,557	589,101	568,041	560,560	599,877	619,850	
Stores									
461-5 Museum Stores	87,812	151,742	90,000	47,790	36,000	37,080	38,192	38,192	
463 Product Development	(2,377)	75	4,320	4,000	4,000	4,120	4,244	4,244	
Subtotal Stores	85,435	151,817	94,320	51,790	40,000	41,200	42,436	42,436	
334 Facilities Rentals	29,824	118,657	199,254	175,000	145,000	149,350	153,831	158,445	
New de Young Opening Events									
Subtotal Administrative Division	2,972,779	3,005,146	2,499,103	2,285,208	2,267,357	2,331,812	2,404,661	2,478,538	
Grand Totals	6,345,173	7,946,730	6,241,011	5,369,486	5,679,640	5,785,718	5,901,829	6,019,657	

Appendix A

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1/9/99

CORPORATION OF THE FINE ARTS MUSEUMS

Executive Committee
Board of Trustees

December 9, 1999

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Call to Order

A meeting of the Executive Committee of the Board of Trustees of the Corporation of The Fine Arts Museums was held on Thursday, December 9, 1999, in the 6th Floor Conference Room of the Museums' Administrative Offices at 233 Post Street, San Francisco. A quorum being present, the meeting was called to order at 1:31 p.m. by Mrs. Alfred S. Wilsey, President. President Wilsey presided; Mrs. Gough acted as Secretary.

Roll Call

Present:

Alvin H. Baum, Jr.
Belva Davis
Mrs. Ray Dolby/Vice President/Annual Support
Richard P. Essey
Richard P. Finn, Vice President/Finance
Ms. Frankie Jacobs Gillette, Vice President/Civic Affairs
Diane B. Lloyd-Butler, Vice President/Audience Development
J. Alec Merriam, Vice President/Collections
Robert A. Mills
Steven MacGregor Read, Vice President/Facilities
Mrs. Harry H. Wetzel
Mrs. Alfred S. Wilsey, Chairman

Excused:

Charles Crocker
J. Burgess Jamieson
Nion McEvoy

Other Trustees in Attendance:

Mrs. David P. Bancroft
David M. Jamison
Leonard E. Kingsley

Roll Call (continued)

The following non-voting officers were present:

Harry S. Parker III, Chief Executive Officer
Steve Dykes, Treasurer
Judy Gough, Secretary

Report of the President - Mrs. Alfred S. Wilsey

A. Consideration and Possible Action to Approve the Minutes of the October 14, 1999, Meeting of the Board of Trustees

On motion, duly seconded, there being no discussion among the Trustees or members of the public, the minutes of the October 14, 1999 meeting of the Board of Trustees, having been mailed in advance to all Trustees, were unanimously approved.

B. Report on the *My de Young* Public Campaign to Build a New de Young Museum in Golden Gate Park

President Wilsey reported on the success of the *My de Young* public campaign, which has already met the $1 million goal. Trustee David M. Jamison, a member of the Ad Hoc Public Campaign Committee to Build a New de Young Museum in Golden Gate Park who chairs the Membership Sub-committee, announced that 3,315 donors have responded to the *My de Young* mailing to date with more than half, or 1,770 members, contributing $1,000 or more. The *My de Young* mailing and telemarketing effort total $1,133,000 at this point in the campaign with $600,000 received in cash.

Barbara Boucke, Deputy Director for Development, introduced members of the Development Department: Gina Tan, Norah McKinney, Victoria Ricciarelli, Marcia Davey, Adriane Tafoya, Gerry Chow, Anne-Marie Bonfilio, and Emily Cheung. The Executive Committee recognized the extraordinary efforts of the Development staff in processing the new de Young capital campaign contributions with sincere appreciation and a round of applause.

Other members of the Ad Hoc Public Campaign Committee to Build a New de Young Museum in Golden Gate Park presented sub-committee reports as follows.

Trustee Leonard E. Kingsley reported that he and Mrs. Kingsley co-chair a sub-committee, which focuses on approximately 3,000 members of the FAMily, who support the Museums annually. The sub-committee has raised $1.4 million of its $3 million goal

B. Report on the *My de Young* Public Campaign to Build a New de Young Museum in Golden Gate Park (continued)

in the past six weeks. Approximately 50 donors have made contributions ranging from $1,000 to $250,000.

Trustee Richard P. Finn, chair of the Corporations and Foundations Sub-committee, reported that nine of the largest Bay Area corporations have been approached. It is hoped that at least half of these corporations will respond positively with substantial gifts of $1 million or more. The Sub-committee is identifying the next group of corporations to be solicited.

Trustee Mrs. David P. Bancroft is working with the presidents of ten of the Museums' supporting organizations. Individual members of these groups have contributed $118,500 with $77,000 of this amount from the Docent Council. Several members of the Docent Council, San Francisco Auxiliary and San Francisco Ceramic Circle have made individual pledges of $25,000. In addition, the Textiles Arts Council has pledged over $143,000 in support of the new Textiles Arts Study Center, and the San Francisco Auxiliary has pledged the proceeds from Bouquets to Arts events over the next few years to the new de Young capital campaign. The Bouquets to Arts contribution presently totals $400,000.

Trustee Alvin H. Baum, Jr., chairs the Outreach Sub-committee, which is targeting individuals who have not been associated with the de Young Museum in the past. The work of the sub-committee is time consuming and may take six more months to reach its goal of attracting a new generation of perhaps several thousand individuals active in the San Francisco community to the Fine Arts Museums and the *My de Young* capital campaign.

C. Report on the Conceptual Planning for a New de Young Museum in Golden Gate Park

President Wilsey reported that the Ad Hoc Conceptual Planning Committee met on December 7, 1999. A number of meetings with Pierre de Mueron and the architectural team from Herzog & de Meuron are occurring this week to continue the conceptual planning for the new de Young. Work focuses on the schematics, which are expected to be presented to the Board of Trustees at its meeting on June 8, 2000. Trustee Steven MacGregor Read noted that a revised cost estimate is the next step in the schematic design process.

D. Establishment of the Fine Arts Museums Education Council

In an effort to attract a younger audience to the Museums, a Fine Arts Museums Education Council has been established. In June 1999, approximately 400 adults and 60 children attended a preview event at Butterfield & Butterfield benefiting the Education Program. This successful event organized by Trustee Mrs. Charles F. Willis, chair of the Education Committee, served as the genesis for the FAM Education Council. It is planned that the Education Council will organize three or four events a year and that an annual membership fee of $250 will be charged.

Report of the Chief Executive Officer - Harry S. Parker III

A. Report on COFAM Operating Budget as of October 31, 1999

At the request of Mr. Parker, Steve Dykes, Deputy Director for Administration and Finance, presented the COFAM Operating Budget Report as of October 31, 1999. Cumulative four month results were minus $50,000, far better than the minus $418,000 projected, owing to strong admissions and membership revenues, personnel expenses running under budget, and other expenses substantially down, especially exhibit costs, which are expected to catch up to the budget in the next month or two. During the summer and early fall, the *Assisi* and *Saxe* shows enforced seasonally high attendance and helped to increase revenue and continue to make the Museums attractive to renewing members.

The COFAM Reserve was $1,661,000 at October 31, 1999, compared to $1,360,000 the month before. The increase is due primarily to the receipt of $410,000 in second quarter endowment support from the FAM Foundation, which will be drawn down by December 31, 1999.

Trustee Richard P. Finn, Chair of the Budget Committee, also reported that the Budget Committee at its December 7, 1999 meeting authorized a three percent cost of living increase for COFAM management and professional employees effective January 1, 2000 for the remaining six months of the 1999-2000 fiscal year.

B. Report on the Letter to Trustee Alvin H. Baum, Jr., Regarding the Fine Arts Museums Sensibility to Gay and Lesbian Issues

Mr. Parker reported on the letter to Trustee Alvin H. Baum, Jr., which responded to his inquiry concerning the Museums past and future audience development commitment, particularly to the gay and lesbian community in San Francisco. The letter documenting the Museums' outreach to the gay and lesbian community was circulated for informational purposes and is appended for the record. Over the last decade, audience development has

B. Report on the Letter to Trustee Alvin H. Baum, Jr., Regarding the Fine Arts Museums Sensibility to Gay and Lesbian Issues (continued)

been an organizational priority and a hallmark effort for the Board of Trustees and the Fine Arts Museums. Programs, exhibitions, and services have been developed to reach, respond to, and reflect the diversity of San Francisco including African Americans, Asians, and Latinos, as well as the gay and lesbian community.

Trustee Baum expressed his appreciation and support for the letter and its contents. He stated that it is critical for the Fine Arts Museums to further its commitment to audience development and for the organization to reflect the diversity of the San Francisco community.

C. Consideration and Possible Action to Adopt a Resolution Authorizing the Chief Executive Officer to Accept and Disburse Grant Funds from the State of California Department of Parks and Recreation for the Project to Build a New de Young Museum in Golden Gate Park in Order to Further the Museum's Educational Mission and the Education Programs and Services It Provides to the Public, and to Execute Any and All Documents Necessary for the Processing of the Grant and the Disbursement of the Grant Funds

With the help of a number of public officials, the California State Legislature, during the California State Budget sessions held in 1999, awarded the Fine Arts Museums a grant of $2,452,500 for the new de Young Museum. Mr. Parker introduced the following required resolution authorizing the COFAM Chief Executive Officer to accept and disburse the grant funds and to execute any and all documents necessary for the processing of the grant and the disbursement of the grant funds:

> WHEREAS, The California State Legislature and the Governor of California, during the California State Budget sessions held in 1999 have approved a grant of $2,462,500 for the project to build a new de Young Museum in Golden Gate Park in order to further the Museum's educational mission and the education programs and services it provides to the public; and
>
> WHEREAS, The California State Legislature has appointed the State Department of Parks and Recreation to disburse the grant funds; and
>
> WHEREAS, The State Department of Parks and Recreation requests a resolution from the recipient's governing body authorizing receipt of the funds by a representative of the recipient organization, which will accompany the formal request for grant funds; now, therefore, be it

C. **Consideration and Possible Action to Adopt a Resolution Authorizing the Chief Executive Officer to Accept and Disburse Grant Funds from the State of California Department of Parks and Recreation for the Project to Build a New de Young Museum in Golden Gate Park in Order to Further the Museum's Educational Mission and the Education Programs and Services It Provides to the Public, and to Execute Any and All Documents Necessary for the Processing of the Grant and the Disbursement of the Grant Funds (continued)**

RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museums does hereby authorize the Chief Executive Officer of the Corporation of The Fine Arts Museums to accept and disburse grant funds from the State Department of Parks and Recreation for the project to build a new de Young Museum in Golden Gate Park in order to further the Museum's educational mission and the education programs and services it provides to the public; and, be it

FURTHER RESOLVED, That the Board of Trustees further authorizes the Chief Executive Officer to execute any and all documents necessary for the processing of the grant and the disbursement of the grant funds; and, be it

FURTHER RESOLVED, That the Board of Trustees expresses its profound appreciation to Governor Gray Davis, Senator John Burton, Assemblywoman Carole Migden, Assemblyman Kevin Shelley, and the State of California for awarding the grant in support of the project to build a new de Young Museum in Golden Gate Park; and be it

FURTHER RESOLVED, That the Board of Trustees extends its sincere gratitude to Mayor Willie L. Brown, Jr., and his staff for their assistance in attaining these grant funds.

On motion, duly seconded, there was no discussion among the Trustees or members of the public. The Executive Committee voted unanimously and with profound gratitude to adopt the above resolution as **Board Resolution 250.**

D. Consideration and Possible Action to Adopt a Resolution Extending the Repayment of the Loan of the Osher Sculpture Garden Fund for the Seismic Bracing Project at the de Young Museum

Mr. Parker explained that the loan of $2,869,667 (principal and interest at June 30, 1999) from the Osher Sculpture Garden Fund for the seismic bracing of the de Young Museum was to be repaid from proceeds from the general obligation bond (Proposition B or Proposition A), which failed to pass. Honorary Trustee Bernard Osher has generously extended the term of the loan in the past, and has, once again, agreed to another one year extension to December 31, 2000. Mr. Parker presented the following resolution:

WHEREAS, In December 1990, The Bernard Osher Foundation made a restricted gift to the Corporation of The Fine Arts Museums (COFAM) to build a sculpture garden at the M. H. de Young Memorial Museum; and

WHEREAS, The Osher Foundation agreed in June 1993 to allow a loan of the sculpture garden funds to pay for temporary seismic improvements to prevent the de Young Museum from collapsing in the event of a major earthquake; and

WHEREAS, The loan obligation of principal and interest was $2,869,667 at June 30, 1999; and

WHEREAS, The COFAM Board of Trustees had hoped to pay off the loan from proceeds from a City of San Francisco general obligation bond sale to build a new de Young Museum; and

WHEREAS, Neither the November 1996 or the June 1998 general obligation bond measures were approved; and

WHEREAS, The term of the loan, which was to expire on December 31, 1998, was generously extended by Trustee Osher to December 31, 1999; now, therefore, be it

RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museums does hereby authorize its President and Chief Executive Officer to take all necessary actions to extend the loan to at least December 31, 2000; and, be it

D. Consideration and Possible Action to Adopt a Resolution Extending the Repayment of the Loan of the Osher Sculpture Garden Fund for the Seismic Bracing Project at the de Young Museum (continued)

FURTHER RESOLVED, That the COFAM Board of Trustees expresses its gratitude to Bernard Osher and the Osher Sculpture Garden Fund for providing the funds for the de Young Museum temporary seismic repairs in order to keep the Museum open to the public.

On motion, duly seconded, there was no discussion among the Trustees or members of the public. The Executive Committee voted unanimously and with sincere appreciation to Honorary Trustee Osher to adopt the above resolution as **Board Resolution 251.**

E. Consideration and Possible Action to Adopt a Resolution Authorizing the Opening of an Account at Goldman, Sachs & Co.

Mr. Parker advised that a gift of stock has necessitated the opening of an account at Goldman, Sachs & Co. He introduced the following resolution:

RESOLVED, That the Board of Trustees of the Corporation of The Fine Arts Museums does hereby authorize the Treasurer and Controller of the Corporation to open an account in the name of the Corporation at the firm of Goldman, Sachs & Co., for the sole purpose of receiving and selling gifted shares of stocks to this Corporation; and be it

FURTHER RESOLVED, That this account remains in full force until rescinded or modified by this Board.

On motion, duly seconded, there was no discussion among the Trustees or members of the public. The Executive Committee voted unanimously to adopt the above resolution as **Board Resolution 252.**

F. Consideration and Possible Action to Adopt a Resolution Covering the Transfer of Shares at Goldman, Sachs & Co.

The companion resolution covering the sale of gifted shares of stock at Goldman, Sachs & Co. was presented by Mr. Parker:

RESOLVED, That any one of the following officers and employees of the Corporation of The Fine Arts Museums, to wit:

F. Consideration and Possible Action to Adopt a Resolution Covering the Transfer of Shares at Goldman, Sachs & Co. (continued)

Harry S. Parker III, Chief Executive Officer
Stephen E. Dykes, Treasurer
Barbara Boucke, Deputy Director for Development
Robert M. Cullison, Controller

is authorized to sell, assign, transfer or dispose of any stocks, bonds, or other securities now or hereafter owned or held by the Corporation at Goldman, Sachs & Co.; and be it

FURTHER RESOLVED, That any Transfer Agent, Registrar or issuer of securities to whom a copy of this resolution shall be delivered may rely upon this resolution until such time as written notice of any change, amendment or cancellation thereof shall have been received by such Transfer Agent, Registrar or issuer of securities.

On motion, duly seconded, there was no discussion among the Trustees or members of the public. The Executive Committee voted unanimously to adopt the above resolution as **Board Resolution 253.**

G. Personnel Report

A revised FAM organization chart dated December 1999 was distributed, which includes a new senior management position, Deputy Director for Marketing and Communications. Mr. Parker announced that Carolyn Macmillan has accepted this important position effective January 1, 2000. Ms. Macmillan has been a consultant for the past six months and has been extremely effective in providing public relations counsel for the new de Young Museum and other projects. She will continue to focus on building support for the new de Young. The departments of Media Relations and Advertising, Museum Stores, and Facility Rentals will report to Ms. Macmillan. Mr. Parker introduced Carolyn Macmillan, who was welcomed with a round of applause.

Trustee Richard P. Essey requested that the names of the individuals occupying the positions on the organization chart be added for information and distribution at a future meeting.

Report of the Budget Committee - Richard H. Finn, Vice President and Chair

A. Report on COFAM Operating Budget Long-Range Projections

At its meetings on October 26th and December 7th, the Budget Committee reviewed the COFAM operating budget long-range projections for fiscal year 1999-2000 through fiscal year 2004-2005, covering the period before the new de Young opens in the last half of 2005. The six year financial projections show a cumulative deficit of $8 million on operations and $9.6 million after depreciation charges.

Chair Finn requested Steve Dykes to present the long range projections in detail. Mr. Dykes began by explaining that the new long-range financial projections update those prepared last fall. Compared to last year's numbers, the current projections go into the red about $2 million less per year. In large measure, this was accomplished by actions taken this past year: fees were increased where possible; the endowment distribution rate was raised; an early retirement program was implemented reducing long-term personnel expenses; and $596,000 in annual City support was received for the first time to reimburse COFAM for certain education, building maintenance and administrative expenses.

Mr. Dykes discussed the new de Young Museum project milestones as follows: Year 1(current fiscal year) - both museums open; Year 2 - de Young closes, pack up and relocate art, offices, labs and carpentry shop to an offsite facility without public galleries and temporary exhibits; Year 3 - remove hazardous material and demolish the building; Years 4 and 5 - build a new de Young; Year 6 - finish construction, reinstall the collections, and open the new museum in the last half of 2005.

The basic assumptions of the long range projections were then reviewed:

Support

- Annual contributions remain flat at $2,665,000 each year, given competitive new de Young fund-raising
- Endowment support may be increased by an additional one-half percent to 5% in the next fiscal year
- COFAM investment income is wiped out by operating deficits

Revenue

- Museum Store sales track the Legion attendance projection of 400,000 visitors annually, with increases in some years based upon the exhibition schedule
- Facility rentals remain flat since the Legion currently accounts for the majority of the rentals
- Membership dues are projected to drop from 51,000 members to a low of 35,000 during the closure of the de Young

A. Report on COFAM Operating Budget Long-Range Projections

Revenue (continued)

- General Admission Fees are constant with revenue tracking 400,000 annual visitors
- Concession Fees are constant with revenue tracking 400,000 annual visitors
- Exhibition Program Earned Income based on recent Legion experience plus touring the American collections in Years 4 and 5

Personnel Expenses

- An annual 4% escalator was applied to current COFAM staff expenses; no layoffs and no attrition forecast at this time

Other Expenses

- An annual 3% escalator was applied to other expenses with adjustments made to reflect savings from closing the de Young, which are pretty much offset by the costs of temporary offsite art storage, labs, shops, and office space

Mr. Dykes concluded his remarks and was thanked for his presentation.

Report of the Annual Support Committee - Mrs. Ray Dolby, Vice President and Chair

Chair Dolby report that as of November 30, 1999, annual contributions were close to budget. It was recognized that meeting the annual fund-raising goal of $2,655,000 is an ambitious undertaking as the new de Young capital campaign is occurring simultaneously.

Report of the Fine Arts Museums Foundation - Charles Crocker, President

In the absence of Trustee Crocker, Mr. Parker presented the Endowment Fund Report. At the close of business on December 3, 1999, the endowment portfolio was valued at $80,239,449. It was invested 66% in equities, 31% in fixed income, and 3% in cash and cash equivalents.

Adjournment - Mrs. Alfred S. Wilsey, President

There being no further business, the meeting was adjourned at 2:15 p.m.

Respectfully submitted,

Judy Gough
Executive Secretary of Museums